THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

VOL. XVIII. Annual Subscription, $5.00 PUBLICATION OFFICE: TORONTO, APRIL 11, 1924 Single Copies, 10 Cents No. 15

NEW CROP SEASON BRINGS BRIGHTER OUTLOOK IN WEST

Depression Lifts as the Farmers Get Back on Land

FUNDAMENTALS BETTER

Improvement in Current Business Only Moderate but Debts Being Reduced — Seeding Gets Satisfactory Start

The situation in Western Canada has brightened perceptibly. The farmers are again getting on the lai and the recurrent optimism of a new crop season is in the air. Political agitation and depressing gossip are less heard as spring operations get under way. Business improvement is moderate, but there are satisfactory indications that underlying conditions have been substantially improved; the returns from the crop of last year which are still coming in are being devoted to reducing debts rather than to new spending; necessities rather than luxuries are being purchased. The Canadian Bank of Commerce reports a promising volume of payments on account of mortgage and other obligations. In British Columbia the benefits of increasing port activities have been felt. From other parts of the country reports indicate only the anticipated developments of the season. Industry has been passing through a period of uncertainty in view of pre-budget reports regarding prospective tariff changes.

The West, and particularly Alberta, is still benefiting from last year's big crop. In handling 111,000,000 bushels of grain from the commencement of the season to March 31st, the Canadian Pacific smashed all previous records in Alberta. This is practically double the shipments made by the company for the whole of last season. And there is still a considerable quantity of grain in the hands of the farmers. A larger acreage will be put under cultivation in Alberta this year than in 1923, according to reports reaching the Grain Exchange. In Manitoba there may be some reduction in the acreage following unsatisfactory results last year. There has been a certain indefinite agitation against growing wheat "for the benefit of the speculators," but it is doubtful if this kind of propaganda will have much effect on the farmers. It may mean greater diversification of agricultural activities, and that is more to be desired than otherwise. Manitoba has had a heavy April snowfall which has been a great benefit in establishing moisture reserves. The snow was followed by warm weather, and operations on the land have not been seriously delayed. Some seeding is already reported, and ploughing and discing are general. Fall wheat in Western Canada is a promising crop, but with two or three weeks of critical weather still ahead. Ontario orchards are in favorable shape; no sleet damage was suffered, but because of deep snow, some damage was done to young trees and bushes by mice and rabbits. Strawberries should be an early and full crop.

CAR LOADINGS AND PRICES

Revenue freight loaded in Canada during the week ended March 29 amounted to 57,845 cars, which was a decrease from the previous week of 1,735 cars, decreases being recorded in both the eastern and western divisions. Grain products fell off 1,034 cars and other commodities showed only small variations. Compared with the corresponding week in 1923 the loadings were 11,469 cars greater and the cumulative totals since the first of the year show a gain of 80,430 cars for 1924.

The index number of wholesale prices complied by the Dominion Bureau of Statistics and weighted according to the commercial importance of the 238 commodities included shows a drop of 2.5 points being 154.1 in March as compared with 156.6 in February. Grains,

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Soon be Profitable to Electrify Railways

MONTREAL.—A hint that steps may be taken within the next few years by Canadian railways to electrify important branch lines is obtained in the C. P. R. agricultural and industrial bulletin. It says:

It is not too much to anticipate that in the near future a commencement will doubtless be made to operate Canadian steam railway systems by electrical energy, using power already developed adjacent to the rights-of-way. This is becoming more and more urgent in Canada on account of the fact that no coal is to be found in the provinces of Quebec and Ontario—where, however, ample electrical energy is available from numerous water-powers. Electrification, however, is contingent upon the density of traffic reaching a certain point where sufficient savings can be made to counterbalance the additional interest charges on the large financial outlay necessary for carrying out electrification. Certain sections, especially in the two older provinces mentioned, are now fast reaching this point.

A Fair Deal For the Postal Workers

Should the letter carriers and mail clerks carry out their determination to go on strike, the business of the country will be seriously tied up. There is a great deal of public sympathy for the postal employees; more sympathy for them than for those in any other department of the public service. The great mass of P. O. employees were more or less stupidly, if not brutally, handled by Ottawa in years gone by, and the general feeling among business men is that they have real grievances, which must be and will be adjusted.

Throughout the public agitation for reduced government expenditures it has been recognized that this must be brought about by the introduction of efficiency and by the elimination of overlapping in the departments rather than by cutting wages or salaries of competent workers. Efficient postal workers are entitled to fair wages. Under Mr. Murphy, the Post Office Department has been greatly improved as to efficiency. The employees work harder than in many other branches of the service. But we believe that there are still opportunities to make savings in the organization of the department, which would permit higher wages for those employees who are entitled to them on the basis of service rendered.

But the postal workers will lose public support if they carry out their threat to strike. The public services must be maintained. Public servants have a greater responsibility than ordinary industrial workers. The position of the government is a difficult one, in view of the public agitation for economy, but we believe that definite assurance should be given to the postal workers that they will be fairly treated, and that they should be content to continue at work for a reasonable period to give the government an opportunity to deal with the matter.

TO SETTLE ALBERTA COAL RATE ISSUE

Whole Question of Lower Scale On Export Trade Would Come Into Inquiry

By Special Correspondence

OTTAWA. — The announcement that the Government of Ontario would take steps to bring to the attention of the Railway Commission the matter of freight rates on Alberta coal to Ontario, has not as yet been followed by definite action but some preliminary steps have been taken to bring on an enquiry. The Railway Commission is constituted as a court to deal with any complaints of discrimination in the matter of railroad rates. It would be quite proper to ask the commission to decide whether there is discrimination in the rate at which coal is brought down from Alberta as compared with the rate charged for the handling of wheat. The Commission should be in a position to deal with this question in a manner which will settle a number of the points which are now in question. With these points cleared up it is felt that the way would be paved to a more satisfactory settlement of the question as to whether Alberta coal can be brought to Eastern Canada at a rate to encourage its consumption on a large scale.

Involved in any such enquiry would be the whole question of export rates as compared with domestic freight rates. While it may be argued that it is discrimination against the domestic consumer to handle export freight at a lower rate than domestic freight the contention of the railways would undoubtedly be that it is good business from the national standpoint. Just as the manufacturer is willing to sacrifice profits to secure export trade and thus increase his output so the railways feel that they are also justified in sacrificing profits on export freight in order to do their part in enabling the manufacturers or other poducers to meet competition in the world markets.

DUTCH SETTLERS FOR SOUTH ALBERTA

Young Farm Workers Secured Who Will Later Have Farms of Their Own

By Special Correspondence

LETHBRIDGE.—Within the last few weeks fitfy-six Dutch emigrants of the farming class have been successfully settled in the Lethbridge Northern Irrigation District in Southern Alberta. These settlers are the first tangible results of work done in Holland this winter by the special colonization mission sent overseas by the Alberta government. The efforts of this mission have been confined almost wholly to selecting young Hollanders for farm workers, the idea being that, once these men have become acquainted with Southern Alberta conditions, they will later take up farms of their own and bring out families. In other words it is a constructive settlement plan that will convert farm workers into farm owners.

OUTSIDE BOARD LIKELY TO DEAL WITH THE BANKS

Opinion in Ottawa That This Step Will Be Taken

AID TO SMALL BANKS

These Have Been Losing Deposits Because of Loss of Public Confidence— Sifton at Ottawa

From Our Own Correspondent.

OTTAWA.—It is too early to say what will be done with the Bank Act. It is a pretty good guess, however, that it will be amended in some respects. The government may not desire to do so, but its hand may be forced. It is also another pretty good guess that the Bankers' Association will hardly carry the weight in such matters that it had last session.

It may be true that some of the members are a bit unreasonable in their attitude towards the Bankers' Association, but there is no doubt that they have come to the conclusion that it is not popular. This explains a lot. Watch the sessions of the banking and commerce committee and see if this is not borne out.

It is possible that the government may bow to the demand for amendment by bringing in one or two that will not materially change the nature of the Act, and still may seem to assure a greater measure of security. Those who generally have a line on what is afoot are of the opinion that an independent body of some kind will be appointed to deal with the reports made by banks to the government. This body will have the right to make inspections if they think them desirable, and in general will act as a kind of policeman to keep an eye on things.

Some think that this body will gradually grow into something resembling the federal reserve system in the United States, though on a much modified scale. It would be advisory to the Minister of Finance on banking.

It is significant that Sir Clifford Sifton, who has openly advocated a body of this kind, has been here recently, and has been much consulted by the government. Of course every one keeps quiet over the subjects discussed, but there is no other subject on which Sir Clifford is more likely to be consulted than on the banking situation.

It is said by those who think that this change is coming that something like it is demanded by the smaller banks, which are gradually losing deposits to the larger ones. The February bank statement shows that savings deposits in the chartered banks were $18,782,000 less than they were in February, 1923. There were two less banks, and of these seven reported decreased savings. These seven lost nearly $42,000,000 of savings deposits during the year. Five of the others reported increases of but $9,000,000. There was $38,788,000 less in savings deposits at the end of February than there was two years ago.

It is plain that the shaking of confidence has caused the smaller banks to lose deposits, which have naturally made their way to the larger ones. This situation may compel the government to take action conducive to strengthening public confidence.

SPANISH ABITIBI MERGER DEAL ON

Only Technical Difficulties to be Overcome in the Negotiations

From Our Own Correspondent.

MONTREAL.—It is stated on good authority that the rumored amalgamation of the Abitibi Pulp and Paper Company and the Spanish River interests is being negotiated. Intimations are given that several technical difficulties have been met, which make it impossible to determine when the merger may be finally consummated. There are advantages in such a merger for both companies. Spanish River is in need of additional timber limits, while its position in respect of working capital would, it is claimed, be a strengthening factor for Abitibi.

Newsprint Stocks Drop On Fear of Price Cut

MONTREAL. — Newsprint stocks reacted this week to the situation in newsprint that was described thoroughly in THE FINANCIAL POST last week. There is nothing in the situation now to forecast definitely higher prices for the newsprint stocks for a while yet, until the overhanging influence of adjustment in newsprint prices is cleared away.

In the meantime it may be reiterated that while the outlook is not for immediate strength in the newsprint, stock holders of these shares would be wise to avoid any "panicky" feeling for the Canadian newsprint industry is at heart as sound as an oak.

Losing Investors' Confidence

Seemingly they have "pulled the plug" on Rouyn Gold Mines shares. Ten days ago this stock was selling around 46. Now it can be bought for 20 or less. It is a severe blow for the new Quebec gold fields.

Brokers state that they were offered large blocks of this stock at an underwriting price of 10 cents. It is understood that this offer came from the original underwriter, and there are those who declare that he secured the stock much below that figure, some say 3 cents, besides getting a sizeable block of stock as a bonus.

Even if the company were getting 10 cents a share, there would be hardly a ghost of a chance to make a mine. It is estimated that under the most favored circumstances, with the best of transportation, with power right at hand and plenty of efficient labor available, it would cost $600,000 to make a properly equipped producing gold mine. The Rouyn district for the present must face high transportation and power costs.

The lamentable feature is that this is the fourth severe blow which mining investors have received in the last year. First was in Matachewan General. The stock was worked up to around 48 and then overnight the bottom dropped out. It never recovered and since then the company has passed out, the owners thinking it wise to amalgamate with other properties and to change the name. Another was Indian. It sold up to around 80, and then came the fall, and in the short time that has intervened it has sold down to 20. Argonaut reached $1 and then the market broke. It has not recovered much above 50 since, though the mine to-day is many times more valuable than when the stock was selling at $1.

Here are four cases in which the public, in the vernacular of the street, is left holding the bag. Legitimate mining suffered. In all four cases the assets behind the stock are, if anything, better than when the stock was selling at the pinnacle. The public can come to only one conclusion. Manipulation is responsible.

What are We Going to do About Our War Debt?

The necessity for arranging some definite plan to take care of the national debt, including the heavy war obligations, as an important part of any comprehensive taxation program, was emphasized last week. The details of the program should be worked out by experts. The appointment of a taxation board of the best available men is urged to that end. Enough is here given in this second article to indicate that the general idea is sound and workable.—Editor.

The burden of our debt is not to be measured in dollars and cents, but in the toil and hardship it involves in paying its charges. It is a question of the percentage toll it takes from the incomes of the taxpayers, from the goods produced in industry and by the crippling effects it has on the development of our national wealth.

Undoubtedly as capital and immigration are attracted to Canada the burden will be lightened—even if the debt should remain at the present amount. Taxes bear heaviest in hard times when the wheels of industry turn slowly and the pockets of the taxpayers sag with leanness.

The reduction of any debt is, at best, a painful process, and when it amounts to $1,865,843,350, which is the amount of war bonds in Canada to be reduced, the effort seems stupenduous for a nation of about nine million people. It will require a period of from fifty to a hundred years to liquidate it, depending on the amounts redeemed each year. Resolute courage and skilful administration will be necessary, but it will bring no greater sacrifices than were demanded during the period when it was created.

The annual charges upon the debt, which it is proposed to reduce as outlined in a previous article, amount to $100,695,819, of which $50,307,644 is entirely exempt from taxation. In any plans proposed it is a prerequisite that no more tax-exempt bonds be issued and the advisability of making the refunding bonds callable at fixed prices should be carefully considered.

Various Plans to Meet Debt

There are many variations of plans which may be devised to redeem the debt, but, in a general way, they can be summarized as follows:

(1) Sinking funds.
(2) Serial and instalment bond issues.
(3) Refunding smaller amounts at lower interest rates.
(4) Purchase and cancellation of outstanding bond issues.

Whatever plan may be finally chosen, its success will depend upon the amount of the additional burden it demands from the taxpayer and its feasibility from a practical point of view

In the United States sinking funds are being accumulated to retire the debt. It is provided that $253,404,864 shall be appropriated each year as a cumulative sinking fund to purchase United States government securities which are subsequently cancelled. In addition, a sum amounting to the interest which would have been paid upon any securities cancelled must be paid into the sinking fund

Applying this plan to the Canadian debt it would mean that the present charges of $100,695,819 would be continued, and, if we set aside an additional sum of $10,000,000 annually as a sinking fund levy to be invested to yield an annual rate of 4 per cent., we would wipe out our debt in fifty years.

Such a plan requires refunding the various issues and, presuming that the bonds were cancelled only upon their final maturity, would work out as indicated below. In every year there would be invested $10,000,000 plus the interest that would have been paid on redeemed bonds plus the interest earned on sinking fund investments. In this way the sum of $110,695,819 would have to be voted each year by parliament for the charges on the existing debt and for the sinking fund until the last payment is made in 1973.

The accumulation of investments at the end of the periods when the various refunded loans become due would be as follows:

Year	Original Issue	Amount of Bonds Redeemed.	Investments Available Before Redemption.
1924-1944	Victory Loan, 1919-1924	$107,955,650	$319,692,025
1945	War Loan, 1915-1925	42,014,500	236,975,123
1946-1947	(Victory Loan, 1917-1927	92,505,650	246,777,911
	(Renewal Loan, 1922-1927		
1948-1951	War Loan, 1916-1931	52,931,600	278,680,862
1952	Renewal Loan, 1922	85,395,750	260,551,909
1953-1957	(War Loan, 1917-1937	326,465,750	378,136,580
	(Victory Loan, 1917-1937		
1958-1963	Refunding Loan, 1923-1943	200,000,000	383,591,938
1964-1968	Victory Loan, 1918-1933	446,663,800	537,374,765
1969-1973	Victory Loan, 1919-1934	511,910,650	511,910,650

It is to be noted that theoretically the last bonds would be retired in 1973; actually the redemption would probably be effected much sooner as

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No Need to Worry About Montreal Tram and Power

From Our Own Correspondent.

MONTREAL.—Inquiries have come to THE FINANCIAL POST from investors who are somewhat worried about their holdings of the bonds of the Montreal Tramways and Power Company as a result of the present uncertainty as to the destiny of the company. These investors who bought bonds of the recent $8,000,000 issue, are wondering if they are likely to lose out on their purchase.

To any who are worried on this point it may be said with all confidence that their position will be changed little, if at all, by the fight between opposing factions in the company. The investment bankers who brought out the issue gave no thought to the financial position of Montreal Tramways and Power Company, or to its past or potential earning power. The bonds are secured by a first charge on large holdings of Montreal Tramways Company stock and debentures. These holdings are sufficient to insure the bonds and the interest from them more than meets bond interest on Tram Power bonds.

If Montreal Tramways and Power Company were to go into liquidation to-morrow the position of the holders of its bonds would be almost unchanged. In fact, they might benefit from the move, for in any reorganization it might be necessary to redeem the issue at 101, which would give the bond holders an early profit of tidy size.

Developments in the Tram Power fight were not important during the past week. Alcide E. Beauvais, stockbroker of Montreal, became president, and two new directors, in sympathy with the group which has in the past been the opposition but which is now in control, were elected. These were E. A. D. Morgan, K.C., and Evariste Champagne.

The new directorate is now busy trying to uncover the trail of the money that has been lost by Tram Power during the past ten years. Legal action is expected shortly as a result of their investigations.

In the meantime, the disappearance of E. A. Robert from the presidency of Montreal Tramways now seems a certainty.

PUBLIC IS BEING FOOLED ON LOSS ON ITS RAILWAYS

Fixed Charges Against Line Do Not Include All Interest

$30,000,000 MORE

This is a Rough Estimate of Amount That Should be Added to Railway Deficit

From Our Own Correspondent.

MONTREAL.—Canadian National Railways' headquarters is rushing through the first annual report of the unified system, and it should be ready in a few days for parliament to look over. From figures that have already been given in the House of Commons in answer to questions that have been brought up from time to time, the country can judge, however, of the extent of improvement in the position of the Canadian National Railways during 1923.

The lines had a net operating profit of about $20,000,000. This was an improvement of about $18,000,000 over the previous year. But the burden of the Canadian National Railways on the public treasury was not $18,000,000 lighter than in 1922. New loans were made by the government to the railway to capitalize past deficits, and these added to the interest charges payable by the line. The increase in the interest burden amounted to $5,800,000, so that the net improvement in the Canadian National Railways during the year, from the taxpayers' standpoint, was about $12,000,000. This sum is smaller than the $18,000,000 improvement most people consider to have taken place, but it is, nevertheless, a welcome showing, especially as it indicates that the Canadian National Railways are now definitely able to increase operating profits more rapidly than they increase fixed charges; in other words, that definite relief for the public treasury can be expected from year to year

Accounting Methods Mislead

Even these figures are fictitious from the sound standpoint of honest accounting. The government has never yet segregated that portion of the public debt incurred in the building of the Intercolonial Railway, the National Transcontinental and other strictly government projects and added the cost to the capitalization of the Canadian National Railways. The Canadian National is in complete ownership for all practical purposes of long stretches of line that cost the country many hundreds of millions of dollars, but which impose no interest burden whatever on the C. N. R. Not that these lines are particu-

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Hudson Bay Railway Is Wanted by the West

From Our Own Correspondent.

WINNIPEG.—About one thousand people attended a meeting here at which the question of the completion of the railway to Hudsons Bay was discussed. Former Premier Norris declared in his address that if Premier Bracken went to Ottawa with the delegation to take the matter up with the Federal Government, he would have ninety-five per cent. of the people of this province behind him. It was stated that forty-two western towns and cities were represented at the meeting which was held under the auspices of the recently organized "On to the Bay" association.

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WESTERN MINERS STRIKE MAY SICKEN LEWIS OF CANADA

Having to Provide Strike Pay For District 18 Coal Men May Cause Break

WORKERS NERVOUS

Non-Union Mines Can Produce Sufficient to Meet Needs—Operators to Fight to Finish

From Our Own Correspondent.

CALGARY.—Coal miners of Alberta and Northeastern British Columbia went on strike on the night of March 31. The conflict is expected to be the greatest between capital and labor in the coal-mining annals of Western Canada. Representatives of United Mine Workers of America in District 18 are entering the fray with a superabundance of arrogance. The president of the district, William A. Sherman, a short time ago one of the leading lights in the O. B. U. movement, states that they will "fight to the last ditch." If they do, it is predicted that it will end the United Mine Workers of America in Alberta. Nova Scotia. a financial thorn in the side of the organization for years past, would readily be dropped, John L. Lewis has frankly admitted. He will probably be willing to do the same in the case of District 18 when he finds that 8,000 miners and their families are looking to headquarters for financial support for an indefinite period.

Many Miners Leaving

During the miners' strike in the Edmonton field, several months ago, the international only provided bare food for the strikers. Then there was only a mere handful of men involved, as compared with 8,000 and their families now. Many miners are already crossing to Washington and other American fields.

The present struggle has been developing for a number of years. The Knowles' board, appointed under the Industrial Disputes Act two years ago, hastened things. Its award of a reduction of 27½ per cent. in the scale of wages did not become operative, as, owing to circumstances, the operators renewed the contract at the old rates, chiefly no doubt owing to the possibility of securing the Ontario market. Now that it is a foregone conclusion that the securing of that market is impossible on present production costs, the operators have decided to fight to a finish.

There are a number of interesting sidelights in connection with the present fight. For instance, government returns show that at least forty per cent. of the domestic coal in District 18 is supplied by non-union mines, although they have been working at less than half of their full capacity. These mines could, if necessary, supply the whole of Alberta's present domestic market and then have some to spare. As to steam coal, thousands of tons will be dumped into Canada from the mines on the other side of the line. This is a source of worry to the miners' officials. Not only will the coal come from non-union mines. but there is no guarantee that it will not be shipped from union mines. Lately the mines were running only 35 per cent. of capacity, thus the miners are losing approximately $25,000 to $30,000 a day in wages.

Increasing Imports of Worsteds and Serges

The Canadian Woollen Manufacturers' Association bulletin will state: The import figures for February, 1924, show the largest importations of worsteds and serges into Canada from abroad in four years for the month of February. The figures in yards are:

	From all countries	Gr. Britain only	France only
1921	382,445	298,638	10,449
1922	593,999	525,455	34,126
1923	730,039	699,737	16,715
1924	891,770	794,525	80,158

Note that the French treaty rates became effective Sept. 5, 1923.

Watching for I. W. W. Agitators in Alberta

From Our Own Correspondent

CALGARY.—A much needed reform has just been brought about to supply labor for the lumber camps by the Mountain Lumber Manufacturers' Association and officials of the government employment services of Alberta and British Columbia. For the future if the British Columbia office cannot fill the labor requirements promptly, the order will at once be transferred to the Alberta office.

While the lumbermen are satisfied with the way the I. W. W. activities in the Cranbrook district were killed, the officials at each of the logging camps are keeping a sharp look-out for the "boring from within" that was threatened when the strike terminated.

The Calgary police are keeping their eyes very wide open for any I. W. W's. here now that spring work on the land is beginning to open up. Any suspect is closely shadowed.

COMMISSIONER ROSS'S VISIT

D. H. Ross, Canadian Trade Commissioner at Australia, is expected to arrive at Vancouver about April 9, and will make a tour of the Dominion in the furtherance of Canadian export trade to the Commonwealth. Canadian firms who wish to interview or to be brought into touch with Mr. Ross are invited to communicate with the Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made.

The Invisible Bounty

By H. MICHELL,
Professor of Political Economy in McMaster University.

The phrase "Invisible Bounty" in connection with foreign imports and depreciated currencies was coined by Professor Michell in reporting his studies to the Canadian manufacturers particularly concerned.—Editor.

Considerable interest has been aroused lately by the representations made to the Dominion government by certain Canadian manufacturing interests asking for a greater measure of protection against the importation of British manufactured goods on the ground that the difference in the purchasing power parity of British and Canadian currencies affords an "invisible bounty" to British exporters to the detriment of Canadian manufacturers. Since the terms "purchasing power parity" and "invisible bounty" are probably, or perhaps certainly, somewhat mysterious to those unversed in the technique of the foreign exchanges, and what may be termed higher economies, it may be interesting to explain, as simply as possible, the exact meaning and significance of these terms.

The phrase "purchasing power parity" was first introduced into general use by that very distinguished economist, Professor Gustav Cassel, of the University of Stockholm, in Sweden. It may be defined as the rate of exchange at which either currency of any two countries would possess the same purchasing power over commodities in both countries. In theory the purchasing power parity and the actual rate of exchange should agree, or if they do not agree soon become adjusted at the same level if either is disturbed. That is to say, if sterling will buy more in Canada than it will in England the Canadian dollar should rise in value in terms of English pounds, because of the demand from England to buy in Canada at lower prices, this creating a large demand for dollars, and so forcing up the rate of exchange of Canadian dollars for English pounds. But what is all very well in theory does not always work out so inevitably in practice, and we find that over even quite long periods the market rate of exchange does not coincide exactly with the parity of purchasing power; it should, but it does not, and the fact that it does not is responsible for the quite disturbing, and indeed very serious factors affecting trade between two countries.

Method of Calculation

When we consider the problem we see that we have to study two variables, those are the levels of prices in the two countries, say Canada and Great Britain. We express those levels by means of the familiar index numbers of wholesale prices, and in this case we may very conveniently use the index numbers of prices in Canada and England, compiled by the Federal Reserve Board of the United States, since they are closely comparable, both being constructed on the same system and having as their "base" prices in both countries in the year 1913.

We must now note that although these index numbers indicate changes in the purchasing power of each currency within their own country, yet they are each quoted in a different currency, Canadian dollars and English pounds, and fail altogether to show purchasing power in terms of a common unit. We must find a common denominator, and that may conveniently be found in the pre-war rate of exchange, or gold parity, between the dollar and pound; that is $4.8665.

What we have to find now is how many dollars the pound is worth today, not in the foreign exchange market, but in purchasing power over commodities. That is, taking the dollar as the common unit of measure, how many dollars worth of goods (if valued at current Canadian prices) will the pound buy in Great Britain to-day? Naturally that depends upon how prices have changed in Great Britain and Canada. In December, 1923, the last month available on which we can make the comparison, the index number for England stood at 171, and for Canada at 144. This means that prices in England had advanced 71 per cent. from the level of 1913, while Canadian prices had advanced only 44 per cent. Now the English index number refers to prices in pounds and shillings, and the Canadian to dollars and cents, and besides that the two price levels in 1913 were entirely different, so we are at fault again. But a way out of the difficulty may be found if we reckon the English pound in terms of the gold par of exchange, $4.866, and say that what would have bought $4.866 worth of goods in England in 1913, will only buy $2.85 worth to-day, arriving at this figure by dividing $4.866 by 171 one-hundredths. But prices in Canada have advanced 44 per cent., so that at current Canadian prices the same goods would cost 1.44 times $2.85, that is, $4.10.

From this example we arrive at the rule that the purchasing power parity between two currencies is obtained by dividing the par of exchange by the price index of one country and multiplying the result by the price index of the other country. In other words, the pre-war parity is simply multiplied by the ratio between the two current index numbers.

The Invisible Bounty

It may appear that so far we have done nothing more than puzzle ourselves with some rather confusing figures which do not seem to prove anything particular. But at this point it begins to get interesting because the villain of the piece enters in the form of the invisible bounty on English exports to Canada.

We have seen that the parity of purchasing power is actually $4.10 between England and Canada. That is what the exchange ought to be, but is not, for a number of reasons which we need not enter into here. The actual rate of exchange is somewhere about $4.40, more or less, but that figure will be a convenient one to reckon with. Now we have seen that the purchasing power parity is $4.10, thirty cents less than the current exchange rate, which measures the difference between the internal and external value of the pound sterling. Expressing this in another form, we find that the percentage of the purchasing power parity of the pound, in relation to the London-Canadian exchange rate, is 107.3. That is to say, the parity rate is about 7 per cent. above the exchange rate.

The significance of this fact is that when the parity rate is below the exchange rate, exports will be discouraged, and when the parity rate is above the exchange rate, as in the present instance, there will be a bounty on exports. To make this a little more clear we have only to remember that the pound sterling in England will only buy about $4.10 worth of goods, but it can be exchanged in Canada for $4.40. It is, therefore, very much to the advantage of the English manufacturer to sell his goods in Canada, since he will get $4.40 for what will only buy him $4.10 in England. This fact accounts for the "invisible bounty" of about 7 per cent., which English exporters to Canada enjoy, a bounty which obviously lowers the protection accorded to Canadian manufacturers by a similar amount. That this invisible bounty is a very real thing for manufacturers in countries with depreciated currencies has been somewhat surprisingly verified lately when the large iron and steel works in France, the Comité des Forges, became alarmed at the swift rise of the franc in the foreign exchanges, and petitioned the French government to stop its efforts to raise it further, since their export trade was in serious danger of losing the valuable bounty in consequence.

Far from being an amusing exercise in the intricacies of foreign exchange, the problem of the effect of depreciated currencies on international trade becomes of vital concern to governments whose duty it is to see that the manufacturers of this country are not exposed to unfair conditions arising from circumstances outside the sphere of what may be called "fair competition." Canadian manufacturers are willing to meet their competitors in fair fight, but such conditions can hardly be termed fair.

Note.—A similar result to the above may be obtained by a slightly different method of calculation. If we divide the index for England into the index for Canada, we find the Canadian index to be 84.2 per cent. of the English, and 84.2 per cent. of the gold par of exchange, $4.8665 is $4.10, or more exactly $4.097.

Expressed in Algebraic formulae, if the par of exchange between two monetary units, A and B, is expressed as $B = Ka\ A$, and if the price levels in the two countries are respectively Pa and Pb, the purchasing power parity of the currency B in terms of currency A is given by the expression $\left(Ka \times \frac{Pa}{Pb}\right)$ Using the second method, if the par of exchange of currency B in terms of currency A, instead of being expressed as Ka, be put equal to 100 per cent., the purchasing power parity $\left(100 \times \frac{Pa}{Pb}\right)$ would be comparable with the current rate of exchange expressed as a percentage of par. Either formula is equally valid.

(cf. Federal Reserve Bulletin. Sept., 1923, page 1,006.)

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Ottawa.—The importation of poultry and dogs, with the exception of toy dogs, from any part of Great Britain, Northern Ireland, and the Irish Free State, is prohibited.

Portugal.—The import duty on ordinary newsprint paper for use in Portugal by daily papers and periodicals is reduced from 0.002 escudo (minimum rate) to 0.001 escudo per kilo. This duty is to apply to importations since August 28, 1923.

Uruguay.—New valuations on carriages, motor cycles, and automobile parts and accessories have been established in Uruguay for a period of at least three years.

Brazil.—The customs officials in Santes, Brazil, now take the retail catalogue prices as the basis for the assessment of the ad valorem import duties on automobiles. Whenever the declared values are materially less than these prices, a fine is imposed on the importer for undervaluation.

Esthonia.—The Esthonian Government has passed a law requiring the customs duties to be levied in gold francs instead of Esthonian marks. Duties will, however, be actually paid in marks at the ratio of 66.6 Esthonian marks to 1 gold franc.

Japan.—Duties on many imports, suspended as a result of the earthquake and subsequent conditions of reconstruction, have now been resumed.

United States.—The United States authorities require that customs declaration—form 91 B— be attached to all parcels of general merchandise (parcel post) prepaid at parcel post rates, posted in Canada addressed for delivery in the United States. They further require that commercial invoices or statements of value be enclosed with books prepaid at printed matter rate, also in sealed parcels of general merchandise prepaid at letter rate, posted in Canada addressed for delivery in the United States.

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UNITED STATES: *New York* — 64 Wall Street; *Chicago* — 27 and 29 South LaSalle St.; *Spokane, Wash.* — Riverside Ave. & Stevens St.; *San Francisco* — British American Bank (Bank of Montreal Auxiliary)
MEXICO: *City of Mexico* — Avenida Isabel la Catolica No. 40; *Puebla* — Avenida Reforma No. 106; *Vera Cruz* — Avenida Independencia No. 23

In the West Indies, British Guiana and West Africa, the Bank of Montreal is represented by the Colonial Bank (of London), in which it has an interest.

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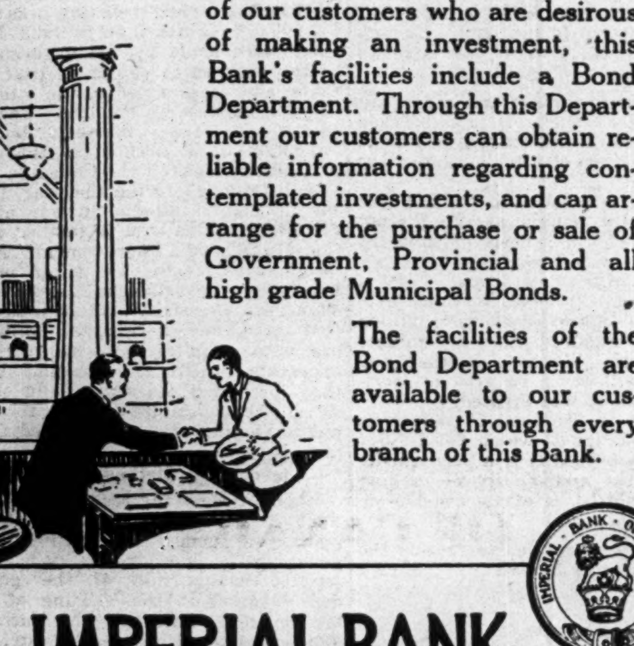

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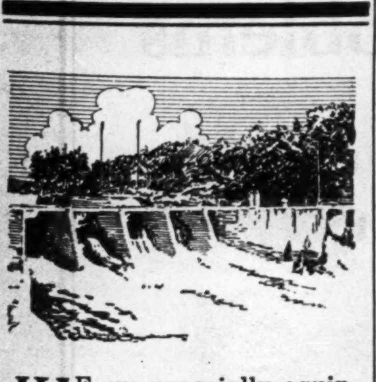

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ALBERTA FACES SITUATION WITH NEW CONFIDENCE

Material Benefits From Last Year's Big Crop

BUSINESS IS BETTER

Farmers Are Showing a Spirit of Caution; After Paying Bills Are Setting Aside a Reserve

From Our Own Correspondent.

CALGARY. — Opinions expressed by representative business men in Calgary as to the outlook in Alberta for this year are decidedly encouraging, very much more so indeed than they have been for many years past. Owing to the cycle of dry years up to 1923 things generally, particularly so far as agriculture was concerned, were getting into exceedingly bad shape. But last year's bumper crop called a halt to the ever-growing pessimism, and with present conditions never better in the history of the province from the point of view of moisture, it is little to be wondered at that sane, level-headed business men regard the future with confidence.

Of course, one swallow does not make a summer, neither does one crop, huge as it was, place the province on Easy Street. It will take at least two or three good crops for Alberta to thoroughly regain its wind. It can, however, be said at the present time, if the opinions of worth-while business men count for anything, that the outlook is decidedly encouraging, especially in view of the economy wave which of late has swept the province.

"Admittedly there is not as much ready spending money in evidence as many would like," states A. W. Trickey, manager of the Calgary branch of the Massey-Harris Company, Limited, and president of the Alberta Wholesale Implement Association, "but we can at least be philosophical and say that this is perhaps not an unmixed evil. The fact remains that not only the country but incidentally Calgary is standing on a very much more secure foundation than was the case a few short months ago."

A Wonderful "Come Back"

Mr. Trickey states that those who had lived any considerable number of years in Alberta had time and again been impressed with its proven ability to stage a wonderful "come back," an outstanding example of this being the heavy individual yields and phenomenal total production of 1923. One year ago, he remarks, too many people were talking failure and in many cases leaving for other parts. To-day there was generally in evidence a very distinct feeling of confidence and of renewed courage. Numerous advices from those who went elsewhere proved once again the truth that "distant fields looked green." It was a fact also that very many of those people were coming back convinced that there were but few, if any, localities that would return a reward in equal measure with Alberta for real, honest-to-goodness effort.

A. E. Cross, one of the largest ranchers of Alberta, and president of the Calgary Brewing and Malting Company, Limited, one of the most important concerns of its sort between Winnipeg and the Pacific coast, bases his belief in the future of the province because people are now in a frame of mind to attend to their business and are not living on borrowed money and more or less on expectations. Instead of people throwing their money away recklessly, and living in an artificial atmosphere, they are realizing now that to be prosperous they must work. Farmers were paying their bills much better than ever before and were keeping as much in hand for future operations.

On a Better Basis

John Burns, general manager of the P. Burns Company, Ltd., of world-wide fame, states that most of the war-time businesses, or those established immediately after the war, had disappeared, with the result that business generally was being conducted with more sanity and care than had been evident for some years past. The lesson taught the people of Alberta and elsewhere in the West had been well learned and he regarded the future with confidence.

George McIvor, the Western manager of James Richardson and Sons, Ltd., one of the largest grain exporting firms in Canada, states that the past few dry years have been practically forgotten in Alberta. Favorable rainfall and a phenomenal yield had given all of the growers more heart as to the future. While Europe, outside of Britain, owing to its financial condition, was finding it difficult to absorb any great portion of Canadian grain, fortunately they had found new markets. China and Japan, due to short crops of rice and wheat, had turned to Canada for some of their requirements, and Canada now faced the possibilities of a demand that would be unlimited, but that, of course, would take time. With the probability of Spillers, Ltd., establishing the largest mill in the British Empire in Calgary, they had every reason to feel that Calgary would some day mean to Western Canada just what Minneapolis meant to the United States.

Reasons for Confidence

G. H. Hutton, superintendent of the Agricultural and Animal Industry Branch of the Canadian Pacific Department of Natural Resources, is equally as optimistic. One reason for confidence, he says, was the fact that during the last two years the quality of Canadian products had shown a decided improvement, with the result that their reputation in the great consuming markets of the world had been rapidly improving. To-day Canadian farm products occupied the best position they had ever held. New markets were being secured.

These views sum up in a nut shell those expressed by the leading business men of the West—men who are conservative in their statements and who are not in the habit of being carried away by undue optimism because Alberta last year had the largest crop on record for the province.

WAGES REGULATED BY BASE METAL PRICES

Consolidated Smelter Employees Now Drawing Bonus Much Above Other Camps

From Our Own Correspondent.

NELSON.—The recent visit to the Trail Consolidated Mining and Smelting Company's plant by the heads of two or three big United States smelting plants has brought about numerous arguments in favor of the payment of smeltermen's wages on a sliding scale, according to metal prices. Trail and Rossland people at present seem in a more fortunate position than other camps. Consolidated's basis of wages vary with the price of lead and zinc, and the present high price for these metals is responsible for the high bonus, which makes the pay about $1.30 above the average wage, and is easily the highest paid by any like concern. The sliding scale of wages at first met opposition, but with the adoption of the scheme a "workman's committee,' working in conjunction with the smelter management, proved a means for settling grievances, disputes and dissatisfaction between men and the company, with the result that wages rise, and all without even a ripple of discontent.

SENATE LIKELY TO REDUCE SOME OTTAWA FRILLS

Official Extravagances Which Might Be Dispensed With

From Our Own Correspondent.

OTTAWA.—The Senate shows an inclination to put the brakes on ordinary expenditure. It has been the custom for that body to pass the estimates with very little, if any, questioning. Sometimes protests have been heard in the Upper Chamber against expenditures, but save on such occasions as the throwing out of the Mackenzie and Mann Yukon project many years ago, and the administering of similar treatment to the branch lines bill of last year, these protests have not availed much.

But this session it is different. Ordinary expenditure is being criticized and some legislation that carried with it increases has been held over. Senator Bennett, who had delved a little into the Auditor-General's report, made his hearers prick up their ears with his recital of cases of extravagance.

Despite all that has been said on the sin of governmental extravagance, it will take a great deal more criticism and drastic action to make some officials take notice that the public means what it says on this matter. During the war officialdom took on many expensive habits, and has not discarded them.

Automobiles are a case in point. There were not many of them around Government offices in the early days of 1914, but now they are considered indispensable, and are a big item of expense. It looks like a joke to see how they are used in this city of less than 120,000. But it seems that they use them in London, and our officials are strong on British precedents.

Extravagance has apparently become a national vice. In this country of only 9,000,000, which is carrying about as big a load of debt as is any country that expects to meet its obligations, some frills are carried in official life that Washington does not sport.

OIL LEASES BEING STEADILY ACQUIRED

Doherty Interests Have Secured 25,000 Additional Acres, Says Report

Interest in Western Ontario oil development is growing rapidly. Doherty interests of New York, who drilled the successful well at Romney, which has a production of 150 barrels daily, have added to their holdings to the extent of 25,000 acres. A leading municipal official of the district has been active for this company securing leases, especially in Mersey Tp. Plans for the drilling of a well in South Colchester, regarded as being the best geological bet of the district are about complete. The pipe is in the ground and a huge stationary drilling rig has been taken in.

Reports are that another important deal is pending, involving the financing of a large operation in the district. Vacuum Oil and Gas has come to life on the market, due to rumors that the company is about to drill another well. The company is steadily adding to its treasury, and should soon be in a position to do so. This small company has been one of the most efficient and successful drillers of wells in Western Intario.

THE PULPWOOD INQUIRY

In answer to questions in the House of Commons, Hon. J. A. Robb explained that it was not expected that it would be necesary to hold further public sittings of the Pulpwood Commission, and that the report would be received before the end of the session.

BOLIVIA IS NOT ATTRACTIVE TO ALBERTA FARMER

Tells C. P. R. Malcontents to Stay in Canada

From Our Own Correspondent.

CALGARY.—There are malcontents in every walk of life, and the farming class is no exception to the rule. For some time now a certain section of C. P. R. land contract holders have been dissatisfied. Although the company made very considerable concessions in the way of an amortization plan, these did not by any means satisfy. An organization has been named "The C.P.R. Land Contract Holders' Association," and the organizers openly boast that they have been flooding newspapers in Britain and the United States with "the whole truth" of the treatment they have received at the hands of the railway company, and how they are throwing up their farms because they cannot make them pay under the terms of their contract.

The latest threat of the association is to tell the C. P. R. that they intend to pack up and go to Bolivia. A meeting was held in Calgary recently when a representative of a colonization association from that country painted a glowing picture of the opportunities of Bolivia; in fact it entirely beggared the most rosy story ever told in any part of the world in connection with land settlement. It was fifty veritable Gardens of Edens all rolled into one.

And now comes a man who has returned from Bolivia, thankful to have got back to Alberta with a whole skin. His name is M. Froschmeier, who has lived in Alberta for fifteen years. Hearing a lot about Bolivia and the opportunities there, he decided to go there with the intention of taking up farm land.

Realities of Bolivia

He left Calgary the first of the year, sailing from San Francisco in February. He landed at Arica, Chili, from which point he took the train to La Paz, Bolivia. Incidentally the trains only run to that point once a week. When he arrived eventually at La Paz he found that the government had not passed the necessary legislatoin to make it possible to secure land under the colonization scheme.

Conditions in Bolivia did not impress the new settler in the least. A revolution broke out at La Paz the dav following his arrival, and he was very glad to get back to Arica. Here he had to wait another three days for a boat and, before leaving, there was an earthquake in the town.

In Bolivia he found that the land he had intended taking up under the colonization scheme was 150 miles from a railroad. The United States consul informed him that there was no chance of a railroad being built through the country for years, sufficient money to back the project not being available. Farm land near the railroad at La Paz, he said, was as high in cost as land in Alberta. The country there was mostly settled by Indians, who were doing the greater part of any farming that was carried on.

There were few advantages in Bolivia at the present time to induce anyone to purchase land and start farming there, Mr. Froschemeier stated. He said he was glad to be back in Alberta, where he intended staying.

The small number of C. P. R. land contract holders who have been raising such a howl will probably be much interested in the statements of Mr. Froschmeier, and will think twice about jumping from the frying-pan into the fire. If a farmer cannot make a success of his farming in Alberta he will never make a success of it in any part of the world.

Machinery Makers Ask Maintenance of Tariff

OTTAWA. — Canadian manufacturers of logging, saw mill and lumbering machinery and equipment, have been at Ottawa asking that no reduction be made in the tariff. It was explained by L. M. Waterous, of the Waterous Engine Works, Brantford, that when the British Columbia Loggers' Association asked the Government to remove the duty on machinery and equipment, it had been submitted that the majority of those engaged in logging in British Columbia were United States firms and wanted American-made machinery. He pointed out, however, that over 90 per cent. of the machinery used in logging and lumbering operations was now made in Canada. Canadian prices were based on the cost of production and not influenced by protection. W. Harty, Jr., of the Canadian Locomotive Company, Kingston, stated that it would be impossible for Canadian locomotive manufacturers to compete with United States firms if the present tariff were reduced.

NEW APPRAISERS' HANDBOOK

A new "Appraisers' and Adjusters' Handbook," by William Arthur contains much useful information for all those who have to value and estimate property, such as trust company men, insurance adjusters, investment men, assessors, etc. The author has previously published a number of books on various branches of the same subject and has had wide experience in appraisal work. He was offered an opportunity at one time to take charge of the valuation work on the buildings of the Grand Trunk Railway.

The object of the present book is to give a general guide in a concise form which may be conveniently carried. Beginning with the general principles of physical valuation from a 1913 normal it ends with treating each particular phase such as concrete work, brickwork, fireproofing, glass, painting, etc., separately.

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QUARTERLY DIVIDEND NOTICE No. 134

A DIVIDEND of Three Per Cent. (3) for the three months ending 30th April, 1924, being at the rate of Twelve Per Cent. (12) per annum, has been declared payable on the 1st of May, 1924, to Shareholders of record as at the 17th April, 1924.

By Order of the Board.

N. L. McLEOD, General Manager.

Toronto, March 19th, 1924.

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News and Views for Investors

W. A. ROGERS

W. A. Rogers arrears now stand at 5¼ per cent., having been reduced recently by the payment of 1¾ per cent. It is anticipated that all the dividends in arrears will be cleared up this year. The usual payment was made at the same time for the first quarter of this year.

D. U. R.

Detroit Rails has had another active week. Pressure against this issue seems to have been lifted, while offerings of long stocks are scarce, as indicated by the necessity of bidding the price up to secure stock. A Montreal broker is credited with having offered to wager a thousand dollars that the usual dividend would be paid through the current year. In confirming the report of his offer this member stated that there would undoubtedly be more of this money if any takers appear. The short interest in the stock has been fostered mainly on attempts to make the present dividend look insecure. The wager mentioned indicates a confidence that does not augur well for this position of the shorts.

TORONTO RAILS

Interest grows in Toronto Rails as the summer draws near, as there are many that hope mid-summer may see the final winding up of the Toronto deal consummated. The Privy Council will likely dispose of the case in June.

There has been much uncertainty in connection with the date of the hearing and this has been a prominent factor in depressing the price of Toronto Rail shares. It was announced on good authority yesterday that the solicitors representing the City of Toronto and the Street Railway Co. have come to an agreement on the grounds of appeal. The shares have been fluctuating several points during the past few weeks, with periodic bursts of buying of moderate size. When the confirmation comes from London setting the date of the hearing the market will undoubtedly have more confidence in an early settlement.

CITY DAIRY

City Dairy common reached a new high this week, selling up to 189. The time is near for the stock split, and it is evidently in anticipation of this that some buying of the Dairy shares has taken place. Since Dairy shares have been on a 10 per cent. basis, the split of each old share for four new shares on a 3 per cent. basis raises the yield to 12 per cent. On this basis the $25 par shares would have a market value of 47¼, which is a fairly high price for a 3 per cent. stock.

Some followers of the company anticipate profits that will allow an even better dividend. The plant and equipment have been written down liberally, and the goodwill account has been reduced to purely nominal proportions. Unless there is further capital expenditures, the company's earnings on the basis of past performance should be such as to warrant more consideration toward the common shareholders, they say.

CONSUMERS' GAS

While General Manager Hewitt, of the Consumers' Gas Company, has announced a reduction of 5c. per thousand cubic feet for gas in Toronto is contemplated, the matter is not one which will materially affect the position of the shareholders from the standpoint of earnings in any event. The company's charter provides for a 10 per cent. dividend. If in any year the net earnings fall below the amount required for dividends, the company may then increase the price of gas. On the other hand if the profits exceed the amount required for the 10 per cent. dividend, maintain the reserve fund, make authorized payments on the renewal fund and pay directors' fees, the surplus must be credited to a special surolus account applicable to reducing the price of gas when the amount is equal to five cents per thousand cubic feet on the quantity of gas sold during the preceding year. Analyzing the last annual statement of the company and considering the improved conditions as regards fuel supply now being experienced, as compared with recent years, it would seem that some reduction in the company's price for gas is justified under the terms of the charter. In the annual report for the year ending September last, there was a balance of nearly $96,000 for the special reserve account, bringing the total of that account to over $216,000.

DOMINION BRIDGE

National Trust Company has returned to Dominion Bridge shareholders the options obtained in response to a call made some time ago in the interests of clients apparently seeking control of the company. In returning the options, the letter of the National Trust Company says:

"We are instructed by our clients to advise you that, in view of the fact that they desired to obtain at least 51 per cent. of the outstanding capital stock of the Dominion Bridge Company, and that only a small number of shareholders responded to the request for options contained in our letter of February 4 last, they do not desire to exercise the option you gave and we are accordingly returning it herewith."

The mystery surrounding this strange proceeding has never been cleared up to the satisfaction of the Street, although conjecture regarding the identity of the bidding interests has ranged from Canadian Vickers to United States Steel Corporation. The news that there was a very small response to the call for options will not be a surprise, as the extremely non-committal nature of the proposal on the part of the proposers was such as to make such an outcome inevitable. However, if any responsible interests were really in the market for control of Dominion Bridge, it is not logical to suppose that this will mark the termination of their efforts to secure such control, but a change in their tactics is altogether likely.

UNITED HOTELS OF CANADA

Speaking at the luncheon tendered to visiting representatives of American bond houses in Toronto on Saturday, Frank A. Dudley, president of the United Hotels Company of America, spoke very confidently regarding the future for the various hotel enterprises of the company in Canada, including the King Edward of Toronto, the Connaught at Hamilton, the Clifton at Niagara Falls, the Prince Edward at Windsor, and the Mount Royal at Montreal. Mr. Dudley submitted figures showing that the hotel industry was the fourth industry in the United States, with new construction last year of $647,000,000. The hotel industry had been an integral part of the development of the United States in a commercial and industrial way, being closely interwoven with the expansion of transportation facilities, and he predicted that the same would also be true in Canada. The success of the hotel industry in Canada was bound up in the development of the country, and with such a transportation system as already provided, and such remarkable resources in minerals, pulpwood, water power and agricultural lands, nothing could prevent the prosperous development of a country with the area of the United States and much of the same natural wealth and with only a fraction of the population. Under these conditions, Mr. Dudley submitted, providing accommodation for the public was a sound business and a hotel investment was not a speculation.

Public Utility Earnings

CAPE BRETON ELECTRIC

	Jan., '24	Jan., '23	Inc.
Gross	$ 66,286	$ 60,586	$ 5,698
Oper. exp.	47,754	58,247	x10,492
Net earn.	18,531	2,341	16,190
Interest	5,961	5,877	83
Bal. (for Res., Ret. & Div.)	12,570	3,536	16,106
12 mos. end.	Jan.31,'24	Jan.31,'23	Inc.
Gross	$706,912	$633,023	$73,889
Oper. exp.	598,070	548,112	49,958
Net earn.	108,841	84,910	23,930
Interest	67,864	67,211	653
Bal. (for Res., Ret. & Div.)	$ 40,976	$ 17,699	$23,277

x—Decrease.

OTTAWA AND HULL POWER

Comparative Operating Statement
Month of February, 1923-24

Gross Earnings	$29,385	$32,930
Oper. Exp., etc.	3,696	4,911
Taxes and Insur.	1,872	2,091
	$ 5,569	$ 7,002
Net Oper. Income	23,815	25,927
Other Income	....	649
Net Earnings	$23,815	$25,576

EAST KOOTENAY POWER

February Earnings

Gross Earnings	$17,365.37
Operating	2,137.96
	$15,227.41

LAURENTIAN POWER COMPANY

Statement of gross and net earnings for the ten months ending January, 1924.

Gross	$174,864.37
Operating Expenses	60,297.00
Net	$114,567.37

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week end.	1924	1923	Change
Mar. 31	$4,496,000	$4,313,000	+ $183,000

CANADIAN NATIONAL RAILWAYS

Week end.	1924	1923	Change
Mar. 31	$6,411,583	$6,350,453	+ $61,130

LOWER LEVELS FOR INDUSTRIAL STOCKS REACHED

Question if New York Influence is Carried Too Far

Bearish influences have been at work in the security markets, and the effects have been noted in lower prices, particularly textiles, pulp and paper and some of the steels. New York has been providing a lead, as is often the case, and although there are no indications of a curtailment of industrial activity in this country to the extent that is in evidence in the United States, there can be no doubt but that the forward situation for steel is not so bright, that lower prices for newsprint are a possibility and that the forthcoming reports of the textile companies a.. almost certain to show the effects of the unsettled conditions which have prevailed, and seem likely to continue, in this industry. Opinion in investment circles is divided as to whether the adjustment in prices taking place is warranted by actual conditions present and prospective, with the argument by the bullish faction that New York has exercised a sentimental influence to an unjustified extent.

Looking to New York investment opinion as to the situation, there is indicated a growing feeling that the markets have already discounted any readjustment which may be necessary to restore a more healthy balance between production and consumption. The forward view is now more optimistic. The rails have been stronger, and this is regarded as a good sign. The Bache Review says:

But interest in railroad securities has not been confined to Southern Pacific. All the rails are participating in the movement, and this is an evidence of revival in optimistic sentiment and of renewed activity on the part of the element which stands for constructive leadership in national and international affairs.

The constructive factors that have developed, will have a stabilizing influence, say Hayden and Stone, but at the same time they make the point that the magnet that draws people into the market is the prospect of higher earnings. They state:

The rather sharp decline in stock prices of last month has undoubtedly improved the technical position of the market. The psychological influence of investigation has also, we believe, reached its crest, and will gradually diminish. Added to this is the prospect of a twenty-five per cent. reduction in this year's tax payment, and the possibility of the passage of a sufficiently sound permanent reduction in taxes to win executive approval. It may well be, therefore, that for a few weeks these constructive factors will have a stabilizing influence, but speculation thrives on the prospect of an increase in earnings and the likelihood of larger dividends. While there are individual industries for which hope of this may well be entertained, they are, we fear, the exception rather than the rule. In altogether too many cases the fear is that present dividends cannot be long maintained. Until this fear is dissipated by a distinct turn for the better in industry we can see no broad foundation for the expectation of a prolonged upward movement.

Moody's go away back for their explanation of the present interest. They state:

"The general sag in stock prices tends to place them in a sound position, because the upward movement of last autumn was mostly unwarranted by business conditions. The sagging tendency is based in part also upon too much politics and upon the weak spots in the March trade returns.

"Genuine liquidation, however, is not occurring, and the decline is mostly a sort of a price readjustment. We see nothing to provoke heavy liquidation, either financial or mercantile, and believe that the prospect of renewed prosperity next fall is improving, and should continue to do so, even though trade for the next few months may be dull."

Spillers' Completes Vancouver Grain Deal

A further development of importance is announced in the scope of Spillers' Milling and Associated Industries, a big British firm which holds a proprietorial interest in a number of well-known companies engaged in the grain and flour trade. Negotiations, it is officially stated, have been completed as a result of which the company has acquired a controlling interest in the Vancouver Grain Company, Limited, of Vancouver. This company is about to erect a 2,000,000-bushel reinforced concrete elevator at Vancouver. The order for the foundations has already been placed, and the elevator should be ready in ample time to handle the 1924 crop. The establishment of this elevator will largely increase the facilities offered at that port for handling wheat via the Western route. The chairman of Spillers' Milling Company, Sir William Edgar Nicholls, will also be chairman of the Vancouver undertaking.

Great West Life Makes Appointments in Field

Following the resignation of C. H. Carpenter, eastern superintendent of the Great West Life, new appointments have been made in the company's field staff. T. M. Taylor was appointed branch manager for Ontario after service in several districts. W. P. Mullen becomes assistant manager for Ontario. He has been several years with the company as Ontario cashier. C. A. Butler is appointed superintendent of eastern agencies. He has been manager of the company for the province of Quebec for the past ten years.

Motion Pictures to Tell Of Alberta's Development

EDMONTON.—Graphic and interesting educational motion pictures will bring Alberta's various resources to the eyes of those who attend the British Exposition this year. In addition to pictures illustrating the life of Alberta's citizens on the farms, on the ranches and in the mining districts, charts will be used to bring out interesting compilations of statistics showing the output and the resources of the coal mines, the amount and value of livestock, of wheat and other field crops of dairy production, etc.

AN AMERICAN VIEW OF BESCO IRON ORE

Newfoundland Deposits Would Supply U. S. Consumption For 500 Years

MONTREAL.—Paul M. Tyler, a famous consulting metallurgist of the United States, drew up for Iron Age recently, a survey of the world's iron ore resources. This is what he had to say about the Wabana deposits in Newfoundland that are controlled and operated by the British Empire Steel Corporation.

"Newfoundland is endowed with reserves equal to the combined known resources of Africa and Asia and very nearly equal to those of all Europe outside of the Lorraine deposits and the even lower grade ores of Great Britain. The Wabana deposits on Belle Isle in Concepcion Bay and near St. John's are estimated to contain some 3,635 million tons of ore averaging 54 per cent. of iron, or enough to supply the whole American consumption of pig iron for close to 500 years (at the present rate of 40 million tons annually). In addition to Belle Island, however, Newfoundland is credited also with still larger deposits of even richer ore in the western part of the island. The latter are mostly titaniferous magnetites, however, containing from 4 to 16 per cent. of titanium oxide, and hence are not commercially attractive under present conditions, although they contain up to 65 per cent. iron.

"The principal objection to Wabana ore is that the silica is high (often running up to 18 per cent.) and, since phosphorous amounts to nearly one per cent., it would not find large use in either England or the United States. It averages well over 50 per cent. of iron, however, and constitutes the main reliance of the steel works near Sydney, Cape Breton, which consume the bulk of the output. Recently Germany has been using Wabana ore, employing it, in some instances at least, instead of medium phosphorus ore that it used to get from Sweden. Mixed with local calcareous ores, the silica is not detrimental and the phorphorus is no disadvantage where the Thomas process is used and where even foundry irons run much higher in phorphorus than is usual in this country. The sulphur is almost as low as in the best Swedish ore, averaging about 0.02 per cent."

Mr. Tyler draws attention to the interesting development of the ocean vessels bringing Swedish ore to Philadelphia during the past year having skirted up the coast to Newfoundland to take on a load of Wabana ore for German blast furnaces. Only cheapness of ore and its excellence as ballast material would make such an anomalous trade possible.

A. M. Irvine Goes to Besco From Saguenay Group

From Our Own Correspondent.

MONTREAL.—The appointment of Arthur M. Irvine to be general manager of coal sales of the British Empire Steel Corporation and its constituent and subsidiary companies has been announced by the president. The position has been vacant since the death of Mr. Alexander Dick a year ago.

Mr. Irvine is a Canadian, a native of St. John, N. B., and, like all his fellow-countrymen, is a firm believer in the Maritime Provinces and their future.

During the war period he had charge of the Hudson's Bay Company's business in connection with the purchase and shipment of supplies for the French Government, and more recently has been director of several important companies operating in the Saguenay and Bay Chaleurs district, including Saguenay Pulp and Power Co., Bay Sulphite Co., etc.

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We have prepared an interesting analysis of the Newsprint Industry. A copy will be sent upon request.

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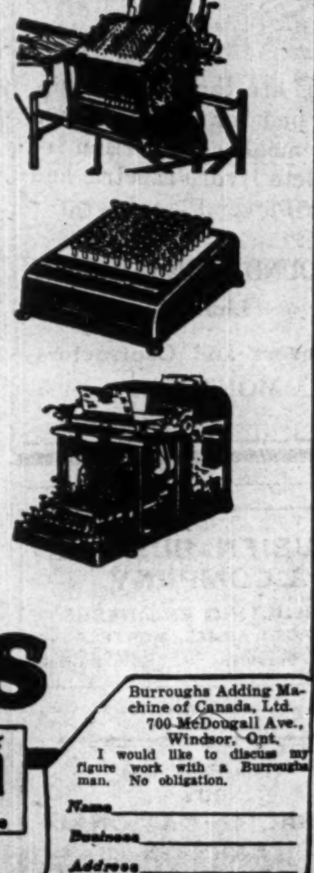

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THREE MEASURES TO CONTROL SECURITY SALES IN ONTARIO

Legislature Asked to Make Number of Changes in Ontario Companies Act

REGISTER BROKERS

Must State Record in Application—Sale of Security Act Draws Strings on Prospectuses

Three measures having to do with the sale of securities are now before the Ontario Legislature. One is an amendment to the Companies Act, another deals with the sale of securities direct, and the third licenses all salesmen who sell securities as well as real estate. All are setting out to achieve the same goal in a different way, prevent fraud and eliminate wild-catting and misrepresentation, in so far as possible.

Perhaps the most important amendment is that allowing for the incorporation with stocks of no par value. There is a feeling that many stocks with par value to-day, give a wrong fictitious value to those not acquainted with them.

This form of incorporation is becoming quite popular with corporation lawyers, and the provincial secretary's department has had many requests from the legal profession throughout the Province, asking that the act be amended to provide for such. These requests have been growing in frequency, and as Ontario lacks enabling legislation, such incorporations have gone to Ottawa, with consequent loss of revenue and control to the Province. The principle of New York legislation is being adopted. Where a trust company represents an estate which holds shares in an Ontario company, such trust company may appoint any of its officers or one of the shareholders to represent the shares at any meeting of the company. At present, a shareholder only can be a proxy at a meeting. A further amendment allows a trust company to have one of its officers appointed a director of such a company. The returns of allotment of every company stating whether the shares issued are common or preference, also the date of the allotment, must be made to the provincial treasurer. While a further provides in regard annual returns of companies, that every company shall make returns until its dissolution. At the present time the returns are required only for a company which is carring on business and has an office in the Province. It is almost impossible at present for the Department to know whether a company is functioning or not. Every director, manager or secretary of a corporation who permits default in the matter of annual returns shall incur a penalty. Under the present legislation the company alone is subject to this penalty. The penalty is $20 for every day during which default continues.

Insurance Companies

The act provides that an Ontario company which insures property with or insures the property of other companies where such insurance is reciprocal and for protection only, and not for profit, shall not be deemed an insurer within the meaning of The Ontario Insurance Act. This is to implement a provision which was incorporated in the Insurance Act passed this session, and is simply to provide that if an Ontario company carries on reciprocal insurance it is not ultra vires of its corporate powers.

The remainder of the Bill is making provision for the incorporation of the different classes of insurance companies, and for pension fund societies. This is required to supplement the Insurance Bill of this Session.

Quite a number of changes have been made in the Sale of Securities Act, since it was first brought up. It aims a blow directly at fraud, and gives a great deal of attention to the make up of prospecters and the responsibility of companies and directors for the statements contained in them. The act respecting brokers provides that brokers offering securities or real property, shall apply for registration. Applicants must state previous experience.

ONE OF BRYANTS FREE

N. P. Bryant, Montreal stock broker, escapes a jail sentence. His brother, A. E. Bryant, must serve six months. Both men were convicted on six charges of theft in connection with the operation of the brokerage house of Bryant, Isard & Co. On appeal the Appellate Division quashed one conviction and sustained the other.

WESTERN GAS

Earnings for the month of January of the Canadian Western Natural Gas, Light, Heat & Power Co., Ltd., were approximately $148,965 as compared with $107,765 for the corresponding month of last year, an increase of $41,200. Aggregated earnings from Oct. 1 to Jan. 31 amounted to $409,673, an increase of $20,570 over the corresponding period of last year.

EAST KOOTENAY POWER

In previous statements of this company, it was mentioned that the financing, as it now stands, would provide sufficient money to instal a plant capable of 22,200 h.p.

The plants were to be—one at Bull River capable of 7,200 h.p., which has been in operation for some time; the other was a development of two units of 7,500 h.p. each at Elko.

The bond interest and fixed charges, and a good margin has been earned by the operation of the 7,200 h.p. alone. Another unit of 7,500 h.p. is in operation, and the balance will follow shortly.

BROKER BANKRUPT

J. G. Beaty & Co., Toronto, Now in Hands of Custodians in Bankruptcy

A considerable portion of the assets of J. G. Beaty & Co., brokers. which has been declared bankrupt, is said to consist of Mineralava shares. Brokers declare that the report that the assets will more than cover the liabilities will depend on the valuation placed on these shares in the preliminary appraisal. Beaty & Co. were selling Mineralava shares at $20, but they are being bought today in unlisted security circles from $8 to $10. The Beaty firm was started 21 years ago as Erickson, Spaker & Co., a New York house, was later Erickson, Perkins & Co. and about six years ago was taken over by Mr. Beaty. The house specialized in New York and mining stocks and grain. J. P. Langley & Co. are custodians of the business in bankruptcy.

HEAVILY INCREASE PRODUCTION OF OIL

International Pete Has Intensive Drilling Program for South America

With an oil production in Peru of 20,000 barrels daily, and in Columbia of 4,500 barrels, International Petroleum will drill more wells this year then ever. Thirteen strings of rotary tools and seven strings of standard will soon be operating in Columbia. All the drilling equipment in Peru is operating, while all the wells are opened to capacity. The company has holdings of 400,000 acres and just recently the Peruvian government has granted new concessions, now being surveyed. This means an addition of 700,000 acres.

Briefly, the above is the story of International Pete's activities in these two countries, as related by G. M. McQueen, vice-president, who spent three months going over the company's South American holdings. Of importance to the company was the improvement he found in conditions. There has been considerable restoration of business and freedom from political disturbances. In the Columbia field the plan is for an intensive drilling campaign in proven territory, and also in other geological structures. The company has decided on the use of a pipe line to get the oil to the seaboard. Mr. McQueen says the new Peruvian concessions offer promise of good production.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING APRIL 8

	Div. Rate	Yield Apr. 7	High For week	Low For week	Close Apr. 8	Close Apr. 1	Sales For week	Range High	1924 Low
Banks—									
Commerce	12	6.54	184½	183½	184	*184½	385	188	182
Dominion	12	6.54	183½	183	183	183	112	187	181
Hochelaga	10	6.75	148	148	148	148	21	150½	143½
Imperial	12	6.93	173	173	173	173	84	177½	172
Molsons	12	7.79	155	154	155½	155	57	159½	151
Montreal	12	5.15	233½	230½	230½	234	494	248	230½
Nova Scotia	16	6.26	255	255	255	255	15	260	248
Royal	12	5.60	214	214	214	214½	65	217	211
Standard	12	7.25	166	165½	166	165½	50	168	165
Toronto	12	6.81	176	175½	175½	176	42	179	175
Union	8	7.76	104	103	103½	104	95	109½	103
Paper—									
Abitibi, com.	4	6.55	62	58	59	59½	5684	69	58
Brompton Pulp	..	....	40½	38	39	38½	1146	43	38
Laurentide	6	6.74	89½	88½	89	88½	815	98½	88½
Price Bros.	2	5.00	40	40	40	40½	110	45	40
Smith, Howard, com.	6	10.39	57½	56½	57½	62	185	75	56½
Do. pref.	8	8.42	95	93	95	98	85	100	93
Spanish River, com.	7	6.60	106	103½	103½	104	4560	114	99½
Do. pref.	7	6.19	113½	111½	112	112	1005	119½	105½
St. Maurice Paper	6	6.31	95	94½	95	95	90	113½	94
Wayagamack	..	....	37½	37½	37½	39½	25	46	37½
Steel and Steel Industries—									
B.E. Steel, com.	..	....	3½	3	3½	3	1085	6	3
Do. 1st pref.	7	....	41½	40	40	51	663	57½	40
Do. 2nd pref.	..	....	11½	10	10	9½	1798	17	8½
Can. Car & Foundry, com	..	....	49½	47	48	46	870	50	36½
Do. pref.	7	7.69	91	88	90½	91½	545	97	84½
Can. Locomotive, com.	4	6.06	66	66	66	65½	1	67	65½
Do. pref.	7	7.56	92½	89	92½	90	50	92½	85
Dominion Bridge	4	5.71	70	70	70	75	110	80	55
Dom. Steel Corp., pref.	6	11.70	51½	51½	51½	70	5	73	51½
Ontario Steel, com.	4	9.19	43½	43½	43½	43	20	45½	43
Steel of Canada, com.	7	8.91	79	77½	77½	79½	783	83	74½
Do. pref.	7	6.66	105	102½	104½	105	179	105½	100
Milling—									
Canada Bread, com.	4	6.22	64½	64½	64½	63	2	74½	63
Do. pref.	7	7.21	97	97	97	96½	91	98½	95
Lake of Woods, pref.	7	5.89	118½	118½	118½	119	50	120	117½
Maple Leaf, com.	..	....	67½	60	67½	62	175	69	60
Do. pref.	7	7.65	92	91½	91½	94½	38	95½	87
Ogilvie Flour, com.	12	3.94	304	304	304	310	10	320	304
Do. pref.	7	5.83	120	117½	120	119½	12	120	116
St. Law. Flour, pref.	7	7.77	90	90	90	90	1	91½	90
West. Can. Flour	8	8.00	100	98	98	100	65	105	98
Inter. Milling, pref.	7	7.36	95	95	95	95½	15	96½	94
Utilities—									
Bell Telephone	8	6.22	129⅝	127½	128	129½	480	132½	125
Consumers Gas	10	6.23	160½	160	160	160	59	166½	159
Dom. Telegraph	6	6.93	43½	43½	43½	43½	8	44½	43
Mackay, com	7	6.16	114½	112½	113	114	460	120½	110½
Do. pref.	4	5.97	67	66½	66½	67	143	71½	66
Montreal L. H. & Pr. Cons.	7	4.47	156½	153½	154½	154	1815	161½	140½
Montreal Telegraph	8	6.66	48	48	48	48	20	52½	48
Ottawa L. H. & Pr.	6	7.14	84	83½	84	82½	35	86	81
Quebec Power, com.	..	....	66	66	66	66	31	72½	64
Do. pref.	7	7.36	95	95	95	94	10	95	90
Shawinigan	7	5.46	128	127½	128	127½	751	135½	118½
Southern Can. Power	$1.00	....	55½	55½	55½	54	26	55½	51½
Transportation—									
Canadian Pacific Rly	10	6.66	150	149½	149½	148½	268	154	147½
Canada Steamships, com	..	....	13	11½	13	11½	254	14½	11
Do. pref.	..	....	50	48½	49½	49	1378	51½	41½
Tractions—									
Barcelona	..	....	13	13	13	13	75	16	13
Brazilian	4	7.65	52½	50	52	50½	7786	53½	41½
Detroit Un. Rly.	6	10.71	57	54	57	54½	1958	72½	50
Duluth-Superior	..	....	29½	29	29½	28½	9	35	28½
Illinois Traction, com.	$2.00	2.49	80½	80½	80½	80	70	80½	60
Do. pref.	6	6.59	91½	91	91	92½	44	93½	87
Montreal Trams.	10	6.66	150	150	150	150	1	159	150
Porto Rico Rlys, com.	..	....	20½	20½	20½	20	10	25	18
Do. pref.	7	10.07	69½	69½	69½	69½	25	75	66
Quebec Rly.	..	....	16	16	16	16½	35	17	14½
Toronto Railway	..	....	87	84½	84½	84½	2713	87	80
Twin City, com	6	9.87	61½	60½	61	61	367	69	60
Winnipeg Elec., com.	..	....	25½	25	25	25½	175	30	25
Do. pref.	7	8.86	79	78	79	78½	15	85	76½
Textiles—									
Can. Converters	7	9.45	74	74	74	80	35	90	74
Can. Cottons, com.	8	8.26	98½	91	91	98½	615	111	91
Do. pref.	6	6.78	89½	88	88	89½	84	91	88
Can. Woollens, com.	..	....	7	7	7	6	20	7	6
Do. pref.	..	....	40	40	40	35	179	40	35
Dom. Textile, com.	4.00	6.66	60½	59	59	60½	1211	66	59
Do. pref.	7	6.65	105½	105½	105½	104½	2	109½	104½
Montreal Cotton, pref	7	6.63	105½	105½	105½	105½	15	105½	104
Penmans, com.	8	5.42	147½	147	147	147½	40	165	147
Do. pref.	6	6.38	94	92	94	94	15	96	92
General Industrials—									
American Salesbook, pref.	7	7.68	91½	90½	91½	9½	30	95	90
Asbestos, com.	..	....	30	30	30	30	80	35	25½
Do. pref.	6	10.25	58½	58½	58½	59	25	62	57
Atlantic Sugar, com.	..	....	16	15	15	16	65	21½	15
Do. pref.	..	....	44	43	44	44	485	51	39
B. C. Fishing	..	....	13	13	13	14	6	15½	12
Burt, F. N. com.	10	7.66	130½	130	130	130	41	137½	127½
Canada Cement, com.	6	6.45	93	90	92½	90	780	93	84½
Do. pref.	7	6.51	107½	107½	107½	108	63	108	102½
Can. Gen. Electric, com.	6	5.35	56	56	56	..	10	56	56
Do. pref.	7	6.54	53½	53½	53½	53½	57	54	51½
Canadian Salt	8	7.08	113	113	113	111½	20	115½	109
Carriage Factories, pref.	..	....	15	15	15	..	10	15	15
City Dairy, com.	10	5.29	189	187	189	185	20	189	163
Do. pref.	7	6.66	106½	105	106½	105	11	106½	104
Cuban Can. Sugar, com.	..	....	6½	6½	6½	9½	25	13	6
Dom. Canners, com.	..	....	29½	28	28	29½	485	35½	20½
Do. pref.	7	8.33	84	84	84	87	10	90	82
Dominion Glass, com.	7	6.54	107	107	107	108	45	110	101½
Dominion Stores, com.	1.00	3.84	26	26	26	26	27	30	26
Do. (A)	8	8.88	90	90	90	88½	31	90	81
Eastern Theatres, com.	..	....	14½	14	14½	14½	26	14½	12
Goodwins, pref.	7	7.36	95	95	95	80½	100	95	69½
Goodyear Tire, pref.	7	9.33	77	75	75	77	54	81½	75
King Ed. Hotel	..	....	21	21	21	..	50	21	21
Lyall Construction	..	....	16	13	13	16	55	21	12
National Breweries, com.	4.00	7.96	50½	50	50	50	767	56½	50
Pacific Burt, com.	6	6.12	98	97½	98	98	25	101	97
Do. pref.	7	6.93	101	101	101	101	5	106	100
Rogers, Wm. A., com	..	....	60	58	58	59	125	70	45
Do. pref.	7	7.36	95	95	95	95	2	100	86
Russell Motor, pref.	7	14.00	50	50	50	50	5	56	48
Sterling Coal	4	9.30	43	43	43	43	172	43	40
Sherwin-Williams, com.	6	5.66	106	106	106	105	3	110	105
Do. pref.	7	6.89	101½	100½	101	100½	9	103	100½
Tuckett Tobacco, pref.	7	7.50	93½	93½	93½	95½	70	97	92½
Trust and Loan—									
Can. Permanent	12	6.52	184	181	182	184	46	186½	181
Huron & Erie	7+½	6.00	125	125	125	122	175	125	120
National Trust	12	5.71	210	210	210	215	25	215	210
Toronto Mortgage	10	5.98	85½	83	85½	84½	18	85½	81½

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Can. Assoc. Goldfields	06	08
Can. Westinghouse, pref.	132	135
Can. Marconi	75	1.00
Cockshutt Plow, pref.	—	38.00
Collingwood Shipbuilding, com	50	60
Cosgrave	5½	6½
Dom. Linens, com.	5	10
Dom. Linens, pref.	25	35
Dom. Power, pref.	96	98
Dom. Power, com.	42	45
Dunlop Tire 7% pref.	81	85
Durant Motors (A)	5	6
Durant Motors (B)	6	7
Durant Motors (C)	7	8½
Dom. Sewer Pipe, com.	26	29
English Elec., com.	10	12
English Elec., pref.	57½	60
Famous Players, com.	5	7½
Famous Players, pref. 50% com	69	72
Gunns Ltd., pref.	37	38½
Hamilton Pantages, pref.	47	50
Hamilton Pantages, com.	2½	3½
King Edward Cons., com.	33	36
King Edward Cons., pref.	58	61
K. & S. Tire, com.	—	75
K. & S. Tire, pref.	15	22
Loew's Buffalo, pref.	56	59
Loew's Hamilton, pref.	47	50
Loew's London, pref.	6	7
Loew's Montreal, pref.	—	25
Loew's Ottawa, pref.	—	19
Loew's Toronto, pref.	67	70

	Bid	Asked
Loew's Toronto, com.	37	40
Loblaw Groc. 2nd pref.	120	150
Massey-Harris	32	34½
Mount Royal Hotel, com.	11	13
Mount Royal Hotel, pref.	54	57
North Mexico Power, com.	—	10
National Brick, pref.	54	57
National Brick, com.	12	15
Robt. Simpson, pref. 6%	90½	92½
Tiger Tire Unit	—	10
Western Grocers, pref.	33	35½
Loan and Insurance—		
Brit. Am. Assur	6	7
Capital Life	23	—
Can. Mortgage	66½	—
Continental Life	25	29
Crown Life	98	—
Excelsior Life	33	—
Great West Life	225	—
London Loan	44	48
Manufacturers Life	56	58
Mercantile Trust	100	—
Monarch Life, 10% pd.	13½	—
National Life, $25 pd.	50	—
Ont. Equitable	—	20
Peoples Loan	63	—
Sovereign Life	17	21
Sun Life 50% pd.	160	—
Sun Life 35% pd.	140	—
Sterling Bank	87	90
Trusts & Guar.	68	71
Western Assurance	7	8

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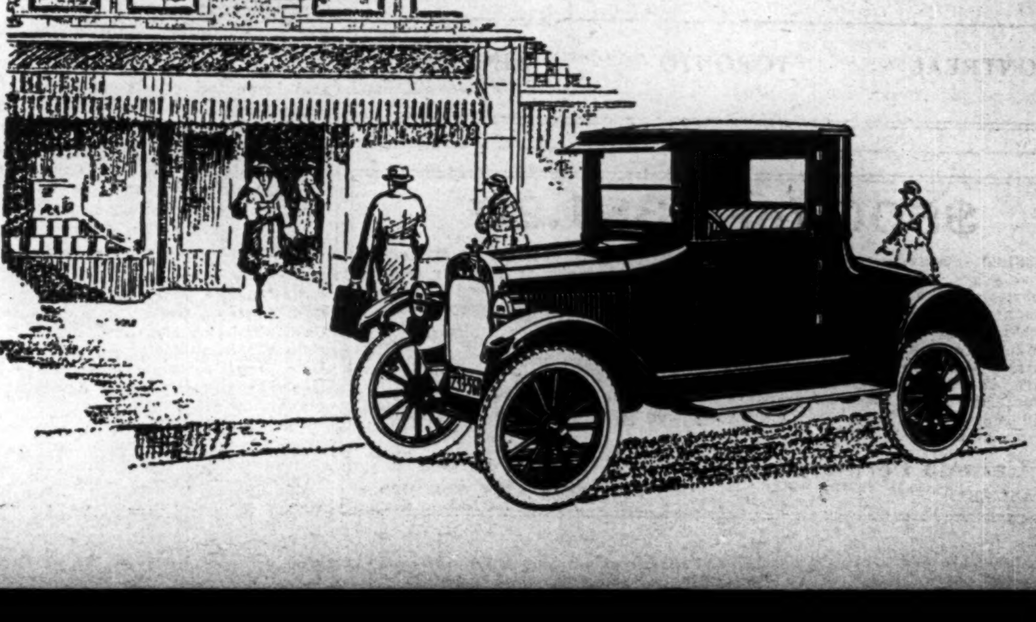

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Textile Companies are Likely To Have Reduced Earnings

Stock Market Has Already Discounted Lower Profits Expected To be Shown in Textile Annual Reports

From Our Own Correspondent.

MONTREAL.—Annual reports of a number of the textile companies are expected during the next few months. Dominion Textile and Canadian Cottons annual statements are due shortly, and Canadian Converters in a couple of months. The stock market action of most of the textile companies has discounted a less favorable showing than that of the past few years. The textile companies have had a year of difficulties and it is anticipated that the conditions will be reflected in the financial statements. This is expected despite the fact that the earnings of Canadian textile companies have in the past been more stable than earnings in almost any other industry group. Much of this stability has been due to the conservative direction of their financial affairs by the leaders of the industry, which has tended to bring earnings from year to year to a fairly level basis. The fat years have been used for extensions and write-offs, while the leaner years have been years of economy in expenditure.

Cotton at a High Level

One of the serious problems of the textile industry, affecting chiefly the big cotton textile producers, has been the sky rocketing action of cotton. This had affected the cotton textile industry of the whole world, Canada included. The market price for raw cotton has seen some decline since the beginning of the year, yet cotton is still at a relatively high price when compared with the general level of commodity prices, and it is also high when compared with prices of most competing fibres. It is easy to trace the result of high cotton prices on consumption of cotton goods. Not only is public buying curtailed because of the higher level of prices for finished goods, but buying by distributors—wholesalers, retailers, etc.—is curtailed because these people are keeping their stocks on a hand to mouth basis in anticipation of possible declines. Added to this curtailment in buying the mills have the problem of a widely fluctuating price for cotton that has introduced an abnormal hazard into their business.

Tariff Changes Hurt

The cotton textile industries, to some extent and the woollen textile industries to a much greater extent, have felt an even more upsetting influence in the tariff situation. It will be recalled that the budgets of 1922 and 1923 both introduced changes in the Imperial Preferential tariff rate that had the result of reducing the customs duties payable on goods entering from the British Isles. And during the same period trade treaties have been negotiated with various European countries. These countries are large producers of textile goods, and Canada has had important increases in its imports of woollen and cotton textiles, providing competition that the Canadian mills have found it difficult to withstand. This situation has been made even more uncomfortable because of the fact that British mills have been selling goods in Canada at less than cost of production in order to keep their plants running.

It is not to be expected that these conditions would be without their effect upon the earnings of the various mills. Apart from actual earnings the psychological and even the political element may enter the profit and loss accounts. At a time when strong pressure is being brought to bear upon the government to bring about upward revisions in the textile tariff, the executives of the textile companies are hardly likely to attempt to bolster up their earnings statements by drawing upon the profits of better years.

Stocks Have Declined

Most of the textile stocks are selling close to the low for the present year, and considerably below the high points reached about a year ago when several of the stocks created new high records.

Canadian Cottons at 91 to-day is forty-six points below the high of 1923; Dominion Textile at 60 is 12 points down: Montreal Cottons has shown a decline of 15 points and even Penman's in the somewhat different industry of manufacturing woollen undergarments and hosiery has sold off nearly 20 points from the 1923 high. Wabasso, Monarch Knitting and Canadian Woollens and Canadian Converters, have also shown important declines. The case of Canadian Converters, which is selling at under 80, as against a high point of 103 in 1923, is particularly disappointing. This company is in a different line of business from the other textile companies. If manufacturers finished goods like shirts, collars, underwear, dresses, aprons, and is therefore not as much affected by raw cotton prices and imported goods as some of the other mills. Its business is dependent largely upon the state of retail trade throughout the country, and it is known to have had a larger sale for its products during the past year. The explanation of its important drop in price seems to be that the high point of 103 a year ago was the result of gossip of a merger of this company with some others, and was not entirely justified by earnings or trade conditions.

Its earnings are stated to be on a little better basis than a year ago.

	1924 High	1924 Low	1923 High	1923 Low	High for all time		Last Sales
Can. Converters	90	79⅞	103	79	103	in 1923	74
Can. Cottons, com.	111	91	137	98	137	in 1923	91
Can. Cottons, pref.	91	88½	93	83	93	in 1923	88
Can. Woollens, com.	6	6	24	5	29	in 1922	7
Can. Woolens, pref.	35	35	65¼	36	80	in 1922	40
Dom. Textile, com.	66	60	72½	61⅝	72½	in 1923	59¼
Dom. Textile, pref.	109½	104¼	112	103	112	in 1923	105¼
Monarch Knit, com.	25	25	40	27½	93	in 1912	25
Monarch Knit, pref.	82	80	82½	69	95	in 1912	80
Montreal Cottons, com. ..	100	100	114½	100	114½	in 1923	100
Montreal Cottons, pref. .	105½	104	110	104½	110	in 1923	105½
Penmans, com.	165	147	165½	127¾	165½	in 1923	147
Penmans, pref.	96	92	99¼	92	99¼	in 1923	94
Wabasso	72	65	81½	65	135	in 1920	65

RECORDS BROKEN BY BESCO DURING MARCH

Big Output Was Recorded During the Month Following Resumption of Operations

From Our Own Correspondent.

SYDNEY.—Increasing activity at the Sydney plant of Besco and the breaking of steel production records during March testify to the accuracy of a recent prediction by General Manager Harry Kelly that a marked improvement can be expected this season in Cape Breton's chief industry.

During March the blast furnace, coke ovens, open hearth and blooming mill departments all went over the top for records of intensive production that swept away the totals of many years' standing. Daily, weekly and monthly records went by the board. The complete total production of the plant for the month of March was as follows:

	Tons
Coke	39,411
Sulphate	764
Tar, Imperial gallon	679,643
Pig Iron	31,831
Ingots	33,586
Blooming Mill	30,853
Rail Mill	17,631
Billet Mill	5,674
Rod Mill	5,197
Bar Mill	1,434
Wire Mill	2,924
Nails and Staples	866
Fencing	804

WOODS MFG. MILL AT WELLAND SLOWS DOWN

Conditions in Cotton Industry Force Shorter Hours For Empire Cotton

From Our Own Correspondent.

MONTREAL.—The Woods Manufacturing Company has put its Welland, Ont., subsidiary, the Empire Cotton Mills, on short hours, the night turn being abandoned and the day and night shifts being notified that each would work three days a week in the day run.

The situation is said to have arisen from the existing tariff, under which mill executives claim, it is impossible to prevent the influx of large quantities of manufactured cottons from the United States and England, where there has been a considerable depression in cotton textiles, due primarily to the extremely high price of raw cotton. Canada, these mill executives maintain, with its comparatively small spindelage, cannot manufacture as cheaply as the large cotton centres of the other two countries, and it is asserted that the local wage is almost twice as high as that now prevailing in the Manchester district, and at least twenty-five per cent. above that of the southern mill districts of the United States. They state that cotton goods are coming in from both countries at much below the cost of manufacture in Canada and they place blame for the cutting in half of the mill pay roll squarely upon the lack of production to the industry, which exists under the tariff of to-day. It is further stated that the existing situation in Welland is but similar to that existing throughout the Canadian cotton trade in general, reports from other mills showing a decrease of about fifty per cent. in production, while at the same time Canada is receiving a steady flow of cotton imports from the other two countries.

REGENT KNITTING

Regent Knitting Mills is looking forward to another good year for 1924. With the benefit of the additional working capital provided by the bond issue of last year, with fairly good retail business in its lines, and with a large stock of yarns bought well below present markets the company is in a position to expand still further and enlarge its profits.

ONTARIO WIND ENGINE

Ontario Wind Engine and Pump Co., like many firms having their main business with the farmer, has had a hard row to hoe. For years the preferred and common shares paid 7 per cent., but business fell off in windmills, pumps, etc., and they were discontinued. There are about 10 years cumulation standing against the preferred. It is considered doubtful if these will ever be paid, but some arrangement will have to be made with shareholders. The company has tried hard, and developed many side lines, such as industrial tanks. To-day it is in good liquid position but the outlook for business is no better than in the last three years. The company has $226.100 preferred and $388,000 common outstanding.

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GRAND TRUNK FACTS

Extracts From Ex-President Taft's Grand Trunk Railway Award

"In substance, the Government of Canada is taking over the ownership and control of the whole Grand Trunk Railway System, including all its subsidiary railways and other corporations." (Page 37.)

"From the evidence of Mr. Williams, a very experienced expert in the management and development of railways, now the President of the Delaware and Hudson Canal Company, it is clear that the motive power and car equipment of the Grand Trunk has been improved and maintained with a minimum charge to capital and with a very large charge to revenues, and that in the years 1910, 1911, and 1912, the company had been gaining in its capacity for doing business and in the efficiency of its equipment, and had taken on the character of a great trunk system. The road has been maintained so that the immense burden which was thrust on the road during the war times was carried without a break." (Page 39.)

"The Canadian Northern, too, has had very extensive government aid, even greater in proportion than that of the Canadian Pacific. The Grand Trunk Railway Company of Canada, which was much earlier in the field, and offered the opportunity to Ontario and the western part of Quebec to develop prosperously has had comparatively little assistance. All these circumstances should challenge, on the part of those called upon to do justice to non-resident shareholders, the closest attention to the pleas made in their behalf and to the exercise of a spirit of equity in dealing with their interests, which are now to be ended in this enterprise and are to be compensated for by our adjudications and award." (Page 44.)

"My appraisement of all the stock (1st, 2nd, and 3rd Preference and Ordinary Stock), the value of which is here in issue, is not less than Forty-eight Million Dollars." (Page 62.)

"One cannot strike a balance as of a day like the 21st of May. We must consider a railroad by years. Its accounts require it. It is a going concern and must be so considered and treated in its condition and valuation. It is fair, therefore, for purpose of determining the kind of railroad in which the Government is acquiring the stock control by the purchase, to bring the condition of the road down to the end of 1920." (Page 48.)

"It will be observed that the $74,000,000 of the total proposed by the Government for the years 1920 to 1926, includes $43,000,000 for the grade separations. This is to be done in five years when even the witness upon whom reliance is had for this estimate expressed the opinion that it would be twenty years before the railroad would be obliged to meet the full weight of such a burden." (Pages 48 and 49.)

F. B. LACY, Hon. Sec., Grand Trunk Stockholders Committee,
325, Winchester House. Old Broad Street, London, E.C. 2, England.

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MILLERS EXPECT NOTABLE GROWTH IN EXPORT TRADE

Should Soon Hold Commanding Position in World's Market

BETTER PROFITS NOW

Export Business Does Not Now Have to be Done on Cost or Less Than Cost Basis

From Our Own Correspondent.

MONTREAL.—The abolition of the discriminatory Atlantic ocean freight rate against Canadian flour and in favor of American mill products should lead to a notable expansion of Canada's export flour trade activities, especially with regard to those countries from which the discriminatory rate barred them for many years.

Canadian millers who were at first hesitant about committing themselves on the possible effects of the equalization of ocean rates on flour, are now inclined to speak out boldly their opinion that the change will be of great benefit. Indeed, an authority in the milling industry of Canada says it seems probable that in markets where Canadian millers have been barely able to compete that they will, in a short time, occupy a commanding position. Even while the discriminatory ocean rate was in effect Canadian flour was driving its competitors from some of the largest markets, among others principally those of Great Britain, Germany, and the British West Indies.

Better Profits Now on Flour

Furthermore, says this authority, the Milling and Grain Journal, in markets which Canadian millers have been able to control by doing business on a narrow basis they will now be able to secure a more reasonable margin of profit than has heretofore been the case.

To quote the opinion of a western milling authority: "Millers generally seldom expect to do better than break even in the export trade, but if the new development, as made possible by the removal of the discriminatory rate works out as we have reason to believe it will work out, there will be a large expansion of the foreign market for Canadian mill products."

At the present time domestic demand for flour throughout Canada is holding steady, and while trade cannot be said to be brisk, buyers continue to purchase to fill their requirements in sufficient volume to keep the majority of the mills busy. The export demand does not appear to be quite as good as it has been during the past few months, and little new business has been coming through during the past two weeks. The main feature of the flour trade in Western Canada has been the continued and increasing inquiry from Oriental buyers.

Export Demand Light Now

Export demand for flour has been quiet and mills generally report a slacker demand than for some months past. The United Kingdom importers are not in a position as yet to pay the prices asked for on this side. Consequently the volume of business has been almost negligible. Continental demand has apparently been satisfied for the time being and buyers' views are not on a workable basis. The trade the world over are looking for lower prices and such being the case it is not perhaps unnatural that their buying should be of a hand to mouth character.

The year 1923 was very favorable for most of the flour mills.

With a total production in 1923 of 20.000 000 barrels of flour, of which approximately 12.000 000 barrels were exported, the Canadian milling industry consolidated its advanced position as an important factor in national industry. The favorable crop yields of 1922 and 1923 proved an impetus to the milling industry and enabled the export companies to take full advantage of the margin in price between Canadian and American flour, which margin has been attributed to the effect of the United States tariff against imported wheat and flour.

Flour Milling in Canada

According to the federal returns, there were in 1921 a total of 1,257 flour mills in Canada, of which 640 were in Ontario and 372 in Quebec. The number comprises many of the older type of smaller mills which serve the local community. The registered capacity of the mills of Canada, on the basis of ten months a year and 30 days to the month, is 39,-450,000 barrels. But it will be nearer the mark to put the capacity of the mills at 30 000,000 barrels, for many of the smaller mills are not prepared for anything like capacity production for an extended period. On this basis for estimates of production capacity the mills of Canada made a record in 1923 of production to two-thirds capacity. The potential capacity of the mills in the United States is 350 000 000 barrels annually in a country with a consumption capacity of about 115.000.000 barrels a year. With Canadian flour exports approaching the export total of the American mills, it may be a fair deduction that the margin between capacity and actual production is much narrower in Canada than in the United States, where the mills are working well below capacity.

SPRUCE FALLS COMPANY

The Spruce Falls Co., Ltd., Kapuskasing, Ont., report that they have been going along with maximum operation as far as the sulphite mill is concerned. For their wood supply the company has gone about equal in their requisitions from settlers and their own limits. Many improvements have been made on the town site and the new community club house has just been completed.

Pulp and Paper Securities

HOWARD SMITH'S CHANGED BALANCE SHEET IN REVIEW

Financing Improved Company's Working Capital Position

From Our Own Correspondent.

MONTREAL.—Howard Smith 8 per cent. preferred, which sold up to 110 last year and has already been over par this year, changed hands at 93 and 95 this week. The common, which is paying dividends of 6 per cent. dropped below the 60 mark, although it has been as high as 75 this year and around 83½ last year. Following on the heels of the successful financing of the company, the low prices of the shares may be regarded as disappointing. Perhaps one reason is the large size of the issue that was brought out. The issue was close to $1,500,000; as it provided for the redemption of an underlying issue the net increase in the company's bonded indebtedness amounted to about a million and a quarter dollars. This was considerably larger than has been anticipated. Most of the shareholders expected an increase of about three quarters of a million dollars in the company's debt as a result of the new financing. The company has spent, officials state, in the neighborhood of $2,-000,000 on its plants in the past few years and felt justified in capitalizing the larger part of the expenditures.

The expenditures have for the most part been made to the end of rounding out the Howard Smith plant to get the utmost production at lowest operation costs, and to make the company a more permanently self-contained pulp and paper unit.

Effect of New Issue

The new issue has effected certain changes in the balance sheet, the important one being the increase in working capital. The increase is only a little over $300,000, but in addition a special loan of $450,000 has been paid off and there has been an increase of around $250,000 in property account, likely due to the purchase of new timber limits.

A comparison of the balance sheet as at December 31, 1923, as shown by the annual statement of the company and as at the same date as affected by the new financing has been drawn up by THE FINANCIAL POST and is as follows:

Assets

	New	Old
Property	$9,293,412	$8,946,292
Trade marks	190,000	190,000
Investments	51,000	51,000
Cash and acc. rec.	677,064	340,409
Inventories	1,567,925	1,567,925
Pref. charges	48,053	48,053
Totals	$11,827,454	$11,143,680

Liabilities

	New	Old
Bonds	$4,500,000	$3,229,500
Pref. stock	1,500,000	1,500,000
Com. stock	3,693,700	3,693,700
Spec. loan	......	450,000
Bal. on limits	......	136,725
xAccts. and bills	836,764	836,764
Accrued int.	197,818	197,818
Reserves	1,099,172	†1,099,172
Totals	$11,827,454	$11,143,680

xInc. bank loan. †Inc. sinking fund.

A similar comparison of working capital position follows:

	New	Old
Curr. assets	$2,293,042	$1,956,388
Curr. liab.	1,034,582	1,034,582
Work. capital	$1,258,460	$ 921,806

Must Maintain Liquid Status

It may be noted that the trust deed now provides that company must maintain a minimum of $1,200,000 of working capital during the present year and that this must be increased by $50,000 a year until 1930, after which it must be maintained at $1,-500,000. This is not an onerous provision; nevertheless the working capital at the present time provides but little leeway above the required amount, and this working capital provision may be regarded as having effectively disposed of the possibility of any early increase in dividends.

Further study of the earnings statements for the year 1923 provides little further enlightenment as to the real benefits to shareholders of the year's operations. The company has drawn up its financial statements in each of the past three years in somewhat different fashion, making actual comparison of the statements difficult. One estimate was that the 1923 report showed earnings of 8.7 per cent. on the common stock, but it is not certain that this is a safe estimate. Possibly the profit and loss account for the present year will be more illuminating, for it seems that the company is starting off with a clean sheet. It is doubtful if there will be any abnormal depreciation or any inventory write offs; the sinking fund will be a definite amount fixed by the trust deed of the new bonds issue instead of being a somewhat variable factor as in the past. It would seem from the new balance sheet presented that the small sinking fund formerly set up has been added to reserves.

The only definite and at the same time satisfying fact—that the investor can glean from the past few reports is the fact that sales increased in each of the past few years and, excluding the abnormal figures of 1920, have shown an almost consistent upward climb. And earnings have also increased nicely. Figures of profits for the past three years have been as follows:

1921	$613,000
1922	694,000
1923	773,000

Howard Smith mills have a fairly diversified business. They manufacture no standard newsprint or wrapping paper, although a grade of very high grade newsprint, such as THE FINANCIAL POST is printed on, is manufactured. In addition to specialty lines, high grade bond, ledger, book and writing papers are manufactured. The company has three plants making paper. It also has a saw mill at its Gaspe timber limits, but this is to prevent waste in the utilization of wood on the limits.

Export Business Large

The company has gone into export trade more extensively than any other Canadian high grade paper company. The markets are in nearly all parts of the world except the United States. The company in 1923 exported 1,050 tons of paper as against 60 tons exported in its lines by all other Canadian companies. Export business takes about 10 per cent. of the output.

Just now Howard Smith Paper Mills is selling its surplus sulphite pulp production. This is providing a profit but not the normal profit that may be excepted when conditions in the sulphite market improve. Most of the sulphite pulp produced is used in the company's own paper mills—45 out of 60 tons produced daily being used within the organization.

The company is looking forward to further increase in sales, both abroad and at home where the Canadian market for high grade papers is gradually being wrested from the United States and British manufacturers who dominated in the field a few years ago. With increasing sales the company's profits should, of course, show a corresponding improvement.

Newsprint

By ROYAL S. KELLOG,* Newsprint Service Bureau.

In 1923 Canada produced 1,253.000 tons of newsprint, and the United States 1,485,000 tons. So that North America produced during 1923 two-thirds of all the newsprint paper produced in the world. More than 80 per cent. of the Canadian newsprint went to the publishers of the United States. Ten per cent. was used in Canada. The rest went to ends of the world.

For the last 19 years there has been an average increase over the preceding year of 7 per cent. in the output of newsprint paper in the United States and Canada.

One and one-half cords of pulpwood produce a ton of paper. Translated into more familiar language, a cord of wood will furnish 96.000 pages of newspaper of the ordinary size. We find that the great production of newsprint paper we had in 1923 in North America required about 4,000,000 cords of wood.

In 1923 the amount of newsprint paper used in the United States was 2,800,000 tons. The earth is 25.000 miles in circumference at the equator. The newsprint paper used in the United States last year would make a belt three-quarters of a mile wide around the earth at the equator. It would also make a strip 400 feet wide running from here to the moon. You have seen coming down the streets of the city on heavy trucks great rolls of newsprint. These rolls as a rule are 72 inches wide. The newsprint paper used in 1923, if put into one of these rolls and unwound would stretch 16,500,000 miles, or reach to the sun in 5 years and 8 months. Some of you see the New York Times. On October 7 last year the Times used 877 tons of paper in printing that one Sunday issue. This much paper would blanket 3.800 acres.

*Part of address to Canadian Club, New York.

NEW ABITIBI DIRECTOR

MONTREAL. — Following the annual general meeting of the Abitibi Power and Paper Co., Ltd., L. R. Wilson, general manager of the company, was appointed director.

INTERNATIONAL PAPER

With the return to more nearly normal conditions in the paper industry last year, operations of the International Paper Co. were considerably more profitable, according to the annual report of the company sent to stockholders recently. This showed net income last year of $3,809,540, equivalent, after preferred dividends, to $11.59 a share on the common stock, of which there was outstanding last year $19,931,984.

The company reported net operating revenues of $8,074,000, as compared with a loss from operations in 1922 of $1,-047,128. The deficit in 1922, after preferred dividends, was $9,072,000, while last year the company added $2,309,000 to surplus.

DRYDEN PAPER

Although the normal production of kraft pulp at the Dryden Paper Company's plant at Dryden, Ont., is about 65 tons per day, since the receivership the company has cut down this production to about thirty tons of pulp, making sufficient pulp only for the company's own paper requirements. They are selling practically no pulp at the present time in the United States market. The company manufactures a complete line of machine finished kraft, dry and water finished manillas, machine glazed pure kraft and machine glazed No. 2 kraft, as well as a considerable amount of sheathing papers. Naturally the cutting down of operations in the pulp mill has cut the company's wood consumption in half. The company states there was considerable competition in the Dryden district this year in the purchase of wood from American mills, but it is understood that the settlers have not sold all of the wood produced.

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CONTINENTAL WOOD PRODUCTS

The Continental Wood Products Co., Ltd., Elsas, Ont., state that they are preparing to build a number of new cottages in addition to those they built last summer for the housing of mill employees and those employed in the erection of the new kraft mill. The engineers who were engaged in preparing plans for the power dam for the kraft mill had to discontinue their work owing to the state of the ice on the river, but will be busy again just as soon as the ice goes out and they are able to use boats. The mill cut this season will be double that of last season which is partly accounted for by the reason that the company will be cutting much heavier lumber and timbers for use in the construction of the new plant. The kraft mill, when completed, will be one of the finest and best equipped kraft plants on the continent.

MINING NEWS FOR THE INVESTOR

NIPISSING OUTPUT HIGHER AND COSTS MATERIALLY LOWER

Big Silver Producer Had Excellent Year—Development Stands Up Well

Nipissing Mines had a net income from production in 1923 of $1,278,793, which added to investment income, $181,814, gives a total of $1,460,607. Cost of work on outside properties was $62,739, leaving a net income of $1,397,868, as compared with $1,120,092 in 1922, and $935,188 in 1921. The surplus to Jan. 1923, was $4,216,951, leaving a total of $5,614,819 available for distribution. Dividends to Jan. 1924, amounted to $1,115,000 leaving a net surplus of $4,499,819. This stands as follows: cash $1,614,278; ore and bullion on hand, $895,604; Canadian Victory and Ontario bonds, $1,662,627; U. S. treasury notes, $643,062; and miscellaneous $250,160.

During 1923 Nipissing produced 3,485,545 ounces of silver, as compared with 3,423,000 ounces in 1922. Including cobalt residue the value was $2,340,700. Pres. E. P. Earle points out that despite this production the reserves of Jan. 1, 1924, show only a decrease of 500,000 ounces. The company set a record during the year, reducing production costs by 2 cents, the lowest in the history of the mill. The average grade was 44.78 ounces to the ton. Shareholders came in for the annual dividends, $1,080,000 or 18 per cent.

The production figures:

	ounces	Gross Val. $	Net Val. $
Shipments	3,227,888	2,104,394	2,093,829
On hand, Dec. '23	1,126,104	895,604	884,492
	4,353,992	2,999,998	2,987,321
On hand, Dec., '22	868,447	648,457	639,950
	3,485,545	2,351,541	2,338,371
Inv. adj.		1,767	2,328
Nip. prod.	3,485,545	2,353,309	2,340,699

Production summary follows:

Gross Value Prod.	$2,353,309	100 %
Cost	1,074,516	45.66%
Profit on oper.	$1,278,793	54.34%

Although main production was from older veins, some of the newly found smaller veins aided materially. Ore reserves now stand:

	Tons	Ounces
High Grade	895	1,318,720
Low	38,819	797,070
Total	39,714	2,117,790

Hugh Park, manager, after pointing out that production was the best since 1918, says that all costs were decreased, the cost per ounce being 30.83c. as compared with 32.94c. in 1922. Low grade mill costs declined as a result of a new method of lining tube-mills, designed by James J. Denny, the company's metallurgist. As a result two mills are now doing the work of four. During the year the company purchased a property in Lorrain and optioned one in B. C. and another in Quebec.

Leaderless Mining Market is Neglected

Mining shares have had another listless week. Trading has been more quiet than ever. The market is absolutely leaderless and many brokers predict that until a new leader comes to the front, there will not be a really active market.

Some of the brokers were predicting that the Dome meeting would clear the air and that this big producer would step into the leadership again. The meeting has not panned out as expected, however, and a further weakening in the stock would not surprise some of the street leaders.

News from the north is most commonplace. Practically nothing is coming out of South Lorrain and the same might be said of the other camps.

MARCH BROKE RECORD "SMELTERS" TONNAGE

President Warren Gives Shareholders No Inkling of Dividend Action

From Our Own Correspondent.

MONTREAL.—Important interests in Consolidated Mining and Smelting Corporation are not particularly enamoured with the results of the market interest in the stock during the past year. High levels were reached and held. But the movement has not been without its embarrassments. It obviously forecast dividend increases that the directors did not feel warranted in granting, as yet. There is also a feeling that the recognition now being given to "Smelters" is somewhat belated. Two or three years ago it was hard to interest anyone in the stock. The shares were kicked around the boards without sympathy. Now there is none too poor to do them honor—and buy them. President Warren has made a heartening statement, though he did not promise an increase in dividends:

March production of zinc and lead was the greatest in history—lead being 7,800 tons and zinc 2,800 tons, and in addition to this over 200,000 ounces of silver. This totals over 10,000 tons per month, being at the rate of 120,000 tons per annum, as against 78,000 tons of these two metals during 1923. The company has again commenced shipping gold copper ores from Rossland. As to the law suit threatened over the alleged infringement of patents claimed to be owned by a party named French, no action has been taken as yet. Some ten years ago the company took an option on this electrolytic process for the treatment of zinc ores, but after expending $40,000 it was decided that the process was not workable. The company then perfected a process of their own for the electrolytic treatment of these zinc ores.

Fight For Control of McKinley-Darragh On

Three different factions want control of McKinley-Darragh-Savage mines. Two of these apparently united against the present management, secured a large following by way of proxies, with the result that when the meeting was adjourned for one week so close was the vote that it was not known who was in control.

The board that the old management put up for election included J. H. Spence, J. R. L. Starr, A. G. Beckwith, H. C. McCloskey, Home Smith, Jas. C. Haight and R. B. Bryce.

The board that the opposition put up for election included James Dobson, Jos. Bamford, Albert Singer, W. B. Barley, J. J. Fitzpatrick, G. A. MacKay and W. Snyder.

The opposition passed some criticism concerning the annual statement, chiefly regarding the arrangement of accounts, but also regarding certain expenditures. It was intimated that several questions relating to management will be brought up at the adjourned meeting.

Quebec Continues Lower Royalty on Asbestos

From Our Own Correspondent.

MONTREAL.—Quebec has decided to continue the reduced royalty on asbestos. An order-in-council this week provides for the continuance of the lower rate without naming any date when further change might be expected. The asbestos royalty charged the producers, is now 2½ per cent. on the gross value of all asbestos produced. The order-in-council states that the rate is being maintained because "the commercial and industrial conditions which determined the reduction of the royalty on asbestos to two and a half per cent. have not changed."

STRIKE IS REPORTED

A rich strike is reported in East Kirkland area, on claims situated in the southwest corner of the Township of Katrine, lying about four miles north from the Argonaut Gold. A test pit is down over 40 feet. The vein structure lies in association with porphyry intrusions in Keewatin rocks, and the find is looked upon as one of considerable importance.

Silver and Other Metals

April	7	8	9	10
Silver—				
London P.	32⅞	32⅞	32 15/16	32 15/16
N. York	63¼	63½	63¾	63¾
Copper	13⅝	13½	13½	—
Zinc	6.30	6.25	6.25	—
Lead	8.50	8.50	8.75	—

NO SETTLEMENT OF THE DOME DISPUTE

Bache Control Sustained at Annual Meeting—Little Progress Made By Opposition

The Dome annual meeting failed to clear the air. Bache control was supported on the vote 3 to 1, but the insurgents were not satisfied and threaten to continue their annual drive against the present board and the methods they complain of. Insurgent leaders laid it at the door of the Bache board, that the stock is selling on the market out of line with Hollinger and McIntyre. Mr. Bache countered with the statement that there was peace in Dome before the opposing interests became shareholders. They had come in after the mine turned out to be successful.

Briefly the drive against the president was on the following points: That he should separate the offices of president and treasurer; that Dome should have a separate New York office; that the funds of the company should be invested in trust and the list of holdings published and that Canadian shareholders should have a greater representation on the board.

Opposition to the Bache control arose in Rochester, and interests associated with the Rochester group this year got together a large Canadian organization to help in the fight. Mr. Bache was willing to concede the Canadian demand for better representation, if the Canadian interests were able to agree on a good man. That was about the only concession. He declined to accept the moral responsibility of another man handling the funds as treasurer. For that reason he retained that position. There was no need of a New York office. When shareholders went to New York it was not to see the office, but the president. He felt that a separate office would be a useless expense and great inconvenience for him. He said it was not the practice to publish lists of securities held. The information was available for shareholders at each annual meeting. He read the list and laid it on the table. The opposition contended that the bonds held were not legal for trust funds. Mr. Bache said that if the board desired that he should confine investments to trust funds it would only have to vote so and the same in regard the publication of the investment list. In the meantime he would follow the course heretofore pursued. The value of the securities when purchased was $1,835,107 and present valuation $1,836,320. As it was read over, the list sounded fairly speculative containing sugar, oils, rails and automobile bonds. The return to the company on its investment was 6.35 per cent. last year which would seem to support the idea that a number of the issues are speculative. Home Smith, speaking for the Canadian committee, said they were satisfied with their speculation in the mine and had no desire for an additional speculation in New York stocks.

H. P. DePencier, general manager, said that the income for the first three months of the present year was over $1.000,000 from milling 116,000 tons. He stated that development work, designed to open up the ore indicated in the greenstone by diamond drill, had so far failed to tap the body. The drill evidently deviated somewhat. However, they had encountered some carbonated material and he did not think they were far away. More ore has been found in the sediments on the eleventh level east, running $9. Work on the twelfth in the same area brought no results. On the thirteenth they encountered 30 ft. of $16, which will average down when mined.

Mining Stock Quotations

Week Ending April 8.

	High	Low	Close Apr. 8	Close Apr. 1
Argonaut	50	45	45	51
Atlas	4	4	4	4
Baldwin	4¼	3¾	3¾	4⅛
Beatty	4½	4½	4½	—
Beatty Rts.	3½	3¼	3½	3½
Beaver	24	22½	23	24¾
Bidgood	10	9¾	10	10½
Buckingham	4	4	4	5
Castle Tre.	81	70½	77	71
Can. Lorrain	42	40	42	41
Capitol	36	35	36	35
Coniagas	2.10	2.10	2.10	2.05
Cons. Smelters	36¼	35⅛	35⅛	36
Cons. W. D.	26	22½	25½	23
Clifton	9½	9½	9½	9½
Col. Kirkland	7¾	6	7¼	6¾
Crown Res.	62	60	61½	60
Dome	18.10	17.75	17.75	17.80
Everett	12½	12	12	12½
Goldale	22½	20¾	21	22½
Hattie	7¾	7¼	7⅝	8
Hollinger	12.35	12.10	12.20	12.20
Hunton	10	6¾	6¾	9
Inspiration	7	7	7	—
Indian	20	16½	18½	19
Keora	9¼	9	9	8¾
Keeley	2.33	2.28	2.31	2.30
Kirk. Lake	20½	19	19½	20
Lakeside	20½	20	20½	22
La Rose	17	13	13	15¾
Lake Shore	3.90	3.75	3.82	3⅞
Lorrain, T. L.	1.36	1.25	1.35	1.30
Lorrain	16	14	14	15½
McIntyre	16.40	15.95	15.95	16.05
McKinley	15	14	14	14
Mining Corp.	3.45	3.38	3.38	3.50
Moneta	20¼	19¾	20	20
Montreal, Ont.	9	8	8½	8
Newray	34	32	32	34
Nipissing	6.25	6.19	6.25	6.20
Night Hawk	85	85	85	89⅞
Ophir	3¼	2⅞	3	3¼
Pete. Lake	8½	7	8¼	8½
Porc. Crown	8½	7	7	—
Preston	12	11⅝	11⅞	12½
P. Davidson	45	40	45	—
Rouyn	42	20	28	44⅞
Teck Hughes	1.25	1.15	1.24	1.16½
Thomp. Krist	5½	5	5	5⅛
Timiskaming	26	26	26	27¼
T. Oakes	68	65	66	66¼
Trethewey	15	14	14	13¼
Vac. Gas.	6	5	6	7⅛
Vickers	18	16	16	21
Vipond Cons.	1.17	1.15	1.16	1.16
Wasapika	3	2¾	2¾	3
West Tree	4⅝	4¼	4¼	4⅛
Wettlaufer	25	22	24½	22¼
Wright Har.	2.90	2.85	2.90	2.85
NEW YORK PRICES				
Int. Nickel, com.	13	12½	12⅝	12¾
OIL COMPANIES				
B. A. Oil	36	35½	35½	35
Imperial	114	109	114	110
Inter. Pet.	21	20¼	21	19⅛
Mutual	11⅝	11⅝	11⅝	11⅝

SHIP FIRST HIGH GRADE

Lorrain Trout Lake Silver Mine shipped its first thirty tons of high-grade on April 3. The vein continues strong, with higher values, though narrower in width. The showings in the back and floor of the drift now indicate that a large body of high-grade ore is immediately available for production, which is being carried on twenty-fours hours per day.

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NEWS OF THE BANKS AND BANKING

EXCHANGE RATE IS NOT FIXED BY THE BANKS

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By A. B. BARKER,
Manager Toronto Clearing House.

Thanks to heavy loans by American investors to Government and municipal organizations in Canada, through the purchase of debentures issued by these corporations and sold in the United States, to the decrease in the purchase of America's goods by Canadians, and the increase in the purchase of Canadian products by Americans in the last three years, the premium on New York funds in Canada has fallen from 17 per cent. to less than 3 per cent. It was lower than this for a time, less than one per cent., in fact, but in the last few months has shown a tendency to rise. Now that we are dependent entirely on the United States for our foreign loans, and the investors of that country are favoring us and our securities, by being willing to buy them at higher prices than they will pay for the securities of any country but their own, there is a feeling that the former attitude of Canadians towards the United States may have been mistaken.

The fluctuations in exchange, however, continue. Some one must be to blame, and as it would not be polite to saddle it on those from whom further favors are expected, there is a tendency to blame the banks. These are believed by some to be able to manipulate the rates of exchange, and so ensure their own profits. There is no doubt that if it were possible to definitely predict the course of exchange prices in these days, there would be fabulous profits. It has been tried and the results were understood to be disastrous. One attempt was made in the United States since the war and as a result the number of exchange departments in American banks requiring new managers was considerable. They nearly all guessed wrong, and their institutions wrote off large sums to experience. Little was said of this in the papers, and the general public heard little about it.

In the current criticism of the banks for putting up the premiums on New York exchange, however, nothing is said about the correspondingly higher rates paid by the banks to those customers who have New York funds to sell. New York funds are not manufactured by the banks, but are purchased by them in the Canadian market at current rates. Exchange is a commodity and the banks are merely traders in it just as a grocer is a trader in groceries. He must buy his wares at the wholesale market price, and sell them at the retail price, making his profit on the turnover. The banks deal in exchange in a similar way, buying at wholesale and selling at retail and make their profit, not by holding these funds for a rise, but by the volume of turnover. The principles of merchandising are the same in both cases though the procedure may be somewhat different.

Exchange

The recent fall and rise of the franc brought generally to the attention of the public the market for future exchange or forward exchange as it is termed in the banking world, says the American Banker. Previous to the war with the gold standard in effect in practically every country of Europe dealings in future exchange were as unknown as they were unnecessary. Exchange in those days did not fluctuate beyond the gold points, and there was no need for protection against a sudden rise in the franc or drop in the pound sterling, etc. The result of the World War was that practically every country in Europe was unable to maintain their currency on a gold basis where paper money was readily transferable into gold. Thus currencies based on national credit fluctuated rapidly with the political and economic developments of each country and, as all rapidly moving markets do, the exchange markets attracted speculators whose actions added to the fluctuations.

These wide fluctuations in the principal currencies of Europe placed the merchant doing business in Europe often in the position of a speculator in foreign exchange if he sold his products in the currency of the buyer.

It has been to allow merchants to guard against these wide fluctuations in exchange which in the past four years have often been as much in a month in the franc and the pound sterling as the percentage of profit in many commercial transactions that forward exchange has come into existence. Forward exchange is not an option, but is a definite contract between a buyer and a seller, one to buy and one to sell a currency at definite future date.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Apr. 3	2 3-16	2 3-32	1 13-16	1 25-32
Apr. 4	2 3-16	2 1-8	1 7-8	1 27-32
Apr. 5	2 5-32	2 1-16	1 27-32	1 25-32
Apr. 7	2 3-32	2	1 7-8	1 13-16
Apr. 8	2	1 27-32	1 7-8	1 13-16
Apr. 9	1 27-32	1 5-8	1 27-32	1 13-16

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Apr. 3	4.30⅛	5.73½	4.37
Apr. 4	4.30 1-16	5.75	4.37¼
Apr. 5	4.33⅝	5.78	4.43¾
Apr. 7	4.32¼	5.77¼	4.40¼
Apr. 8	4.33½	5.94½	4.44¼
Apr. 9	4.33½	6.00	4.44

Weekly Bank Clearings

(In comparison with same week last year).

Eastern Cities

	Apr. 5, 1923	Apr. 3, 1924
Halifax	$ 2,259,822	$ 3,946,916
St. John	2,562,738	2,325,884
Moncton	890,448	776,492
Sherbrooke	989,886	828,982
Quebec	4,579,062	5,606,600
Montreal	83,988,034	99,766,642
Ottawa	5,846,725	6,948,125
Kingston	546,535	604,188
Peterboro'	699,427	779,222
Toronto	75,419,528	90,650,218
Hamilton	4,779,131	4,933,115
Brantford	1,283,176	860,807
London	2,453,449	2,482,463
Kitchener	938,090	870,789
Windsor	2,003,936	2,926,617
Totals	$189,240,027	$224,307,060

Western Cities

	Apr. 5, 1923	Apr. 3, 1924
Fort William	$ 751,510	$ 783,432
Winnipeg	34,698,760	35,737,546
Brandon	494,093	437,103
Regina	2,798,463	2,829,261
Moose Jaw	1,025,199	968,391
Saskatoon	1,284,181	1,487,010
Prince Albert	348,181	312,499
Lethbridge	579,240	602,295
Calgary	4,311,319	5,799,756
Edmonton	3,885,395	4,116,134
Medicine Hat	324,494	261,359
New W'minster	509,407	610,325
Vancouver	12,306,366	15,555,178
Victoria	1,685,103	......
Totals	$ 65,001,711	$ 69,500,289

Canada's Exports and Imports of Gold Coin

(From Our Own Correspondent).

OTTAWA.—During the fiscal years 1914 to 1923, inclusive, the total of gold coin exported from Canada was $265,648,446, as against $221,309,184 of gold coin imported; gold quartz, dust, nuggets and bullion exported totalled $112,336,173, as compared with imports of gold bullion of $85,752,505. Gold bullion n.o.p. exported to the United States and Venezuela amounted to $462,898,484. This information was tabled in the House of Commons by Hon. Jacques Bureau. In all the exports the largest proportions were sent to the United States, as was also the case of imports. It is notable that in 1916 gold coins imported from Australia were valued at $2,360,333, as compared with imports from the United Kingdom in the same year of $2,606,025. In the same year, too, gold coin imports from New Zealand amounted to $973,333. Another interesting item in the statement tabled by the Minister of Customs and Excise is that in 1920 gold quartz, dust, nuggets and bullion exported to China amounted to $582,478. In 1918 gold coin to the value of $345,000 was exported to British India.

STERLING BANK

The Sterling Bank announces the following staff changes:—A. G. McDougall, accountant at Cornwall, has been transferred to Golden Lake as manager. He takes the place of Mr. Garvin who recently resigned. L. W. Bennett, accountant at St. Catharines, has been transferred to Cornwall as accountant to fill the place of Mr. McDougall. S. Howes has been promoted from teller to accountant at St. Catharines. J. C. McCullough, ledger keeper at Montreal, has been transferred to Adelaide St., Toronto, as teller accountant. C. C. Campbell, who was temporarily relieving as manager at Kelvington, has been sick and as a result, G. S. Hill has been transferred to Kelvington as manager. Mr. Campbell will be returning to Winnipeg.

Staff Gossip

Clarence P. Shepherd, who has been accountant in the Clinton branch of the Molsons Bank for the past four years, has been transferred to the St. Thomas branch.—Beacon-Herald, Stratford.

* * *

E. R. Youngs, who has been manager of the Molsons Bank at Bridgeburg since the branch was opened four years ago, has been promoted to be manager of the West End branch of the Molsons at St. Thomas. He is succeeded as manager of the Molsons Bank by Harry W. Lake, of Saint Thomas.—Bridgeburg Review.

* * *

James Machum, of the staff of the Bank of Montreal in Sydney, has been transferred to St. John's, Newfoundland. F. E. Sharpe, of Fredericton, has joined the Bank of Montreal at Sydney, succeeding Mr. Machum. The latter is well known in Sydney, having been formerly on the staff of the Merchants Bank of Canada in this city.—Record, Sydney.

* * *

J. B. Hegan, accountant at the Main Street branch of the Bank of Commerce, Moncton, is to join the relieving staff of the bank and will be managing different branches for the next three months, after which he is to go to the New York office for three or four months and then proceed to the South, where the Bank of Commerce has important business connections.—Times-Star, St. John.

A. T. Bayley has been appointed manager of the Bank of Montreal's Haymarket Square branch. He succeeds F. J. Shreve, who has been promoted to the managership of the Amherst branch. Mr. Bayley entered the service of the Bank of Montreal in Ontario, and for the past six years has been manager of the Bank's branch at Canso, in which place he was president of the board of trade.—Telegraph Journal, St. John.

CONSOLIDATED SMELTERS

Ore receipts at the Trail Smelter of the Consolidated Mining & Smelting Co., for the week ending March 31, totalled 14,631 tons, and for the first three months of the present year, 118,908 tons.

Current Loans Down But Savings Deposits Increased in February

A further decline of about $11,500,000 in current loans and of nearly $25,000,000 in demand deposits, during the month of February, indicates continued contraction in funds employed in current business. However, this is taken to be the result of seasonable trade conditions rather than of any actual depression and later reports will probably show a considerable change. A very favorable feature of the February statement is the increase during the month of more than $8,000,000 in savings deposits, these deposits now being less than $19,000,000 under a year ago, prior to the various disturbances which have tended to alarm the public.

There was an increase in gross assets during the month of February of nearly $25,000,000. The gold reserve was increased over $10,000,000, balances in foreign banks over $5,000,000, investments in government securities about $19,500,000, call loans abroad nearly $7,000,000, loans on public securities over $3,500,000, loans on railway securities nearly $6,500,000, Canadian call loans $4,250,000, municipal loans $6,340,000 and loans abroad over $8,000,000. In addition to the reduction in current loans, holdings of Dominion notes were reduced by over $14,700,000 and foreign currencies nearly $4,000,000. During the month circulation was increased over $6,500,000 and obligations to the Dominion Government nearly $20,000,000.

As compared with a year ago gross assets have increased over $80,000,000 and current loans have been reduced by $52,000,000. There are important increases in holdings of Government securities, in call loans abroad, Canadian call loans, loans on public securities and commercial loans abroad. However, items of $15,500,000 for non-current loans and nearly $10,000,000 for loans to companies should be taken into consideration in relation to the reduction in current loans, these items having appeared since the amendments to the Bank Act were put into effect.

BANK STATEMENT FOR MONTH OF FEBRUARY

	Feb., 1924	Jan., 1924	Change	Feb., 1923	Change
Immediately Available Liquid Resources — ASSETS					
Specie	$ 55,818,657	$ 57,913,239—	$ 2,094,582	$ 75,793,636—	$ 19,974,979
Dom. Notes	155,254,971	169,987,738—	14,732,767	184,975,508—	29,720,537
Gold res.	55,052,533	44,852,533+	10,200,000	46,602,533+	8,450,000
U.K. Banks	9,261,032	7,888,723+	1,372,309	8,802,718+	458,314
For. Banks	56,168,838	50,963,075+	5,205,763	65,852,092—	9,683,254
For. curr.	25,645,314	29,634,142—	3,988,828	......+	25,645,314
Gov. secs.	286,617,678	267,096,156+	19,521,522	224,954,181+	61,663,497
Call loans ab'd.	188,915,774	182,019,643+	6,896,131	181,567,829+	7,347,945
	$ 832,734,797	$ 810,355,249+	$22,379,548	$ 788,548,497+	$ 44,186,300
Loans and Securities Other Than Those of Canadian Government					
Pub. sec.	$ 127,566,078	$ 123,925,013+	$ 3,641,065	$ 106,731,088+	$ 20,834,990
Rly. sec.	50,899,403	44,455,506+	6,443,897	44,926,931+	5,972,472
Can. call loans	111,467,549	107,113,769+	4,353,780	88,513,509+	22,954,040
Current	987,896,983	999,377,600—	11,480,617	1,039,993,234—	52,096,251
Loans ab'd.	185,430,910	177,367,068+	8,063,842	165,987,605+	19,443,305
Prov. loans	15,779,024	15,165,661+	613,363	12,982,765+	2,796,259
Municipal	66,418,468	60,077,558+	6,340,910	67,604,751—	1,186,283
	$1,545,458,415	$1,527,482,175+	$17,976,240	$1,526,739,883+	$ 18,718,532
Other Assets					
O'due debts	$	$	$	$ 7,453,955—	$ 7,453,955
Non-cur. loans	15,557,493	15,377,236+	180,257	......+	15,557,493
Real estate	6,831,789	6,743,828+	87,961	6,041,828+	789,961
Mortgages	3,902,826	3,966,688—	63,862	4,501,351—	598,525
Premises	71,061,148	70,683,847+	377,301	71,902,468—	841,320
Lets. of cred.	49,129,619	54,755,663—	5,626,044	18,306,066+	30,823,553
Loans to comp.	9,778,348	9,800,986—	22,638	......+	9,778,348
Other assets	3,949,956	4,082,763—	132,807	4,070,383—	120,427
	$ 160,211,179	$ 165,411,011—	$ 5,199,832	$ 112,276,051+	$ 47,935,128
Total	$2,538,404,391	$2,503,248,435+	$35,155,956	$2,427,564,431+	$110,839,960
Note cir. dep.	6,119,119	6,119,119	......	6,448,249—	329,130
Int. bk. bal.	112,321,453	122,519,735—	10,198,282	142,590,612—	30,269,159
Gross	$2,656,844,963	$2,631,887,289+	$24,957,674	$2,576,603,292+	$ 80,241,671
LIABILITIES TO THE PUBLIC — Liability to Government and Circulation					
Circulation	$ 163,446,173	$ 156,865,776+	$ 6,580,397	$ 156,714,857+	$ 6,731,316
Dom. Govt.	54,216,188	34,277,423+	19,938,765	32,427,424+	21,788,764
Prov. Govt.	41,234,327	43,307,755—	2,073,428	34,532,828+	6,701,499
Govt. advances	21,871,974	24,690,500—	2,818,526	......+	21,871,974
Deposits by Public					
Demand dep.	491,709,129	516,559,111—	24,849,982	497,046,874—	5,337,745
Savings	1,192,561,512	1,184,461,830+	8,099,682	1,211,343,461—	18,781,949
Total	$1,684,270,641	$1,701,020,941—	$16,750,300	$1,708,390,335—	$ 24,119,694
For. dep.	315,851,252	291,582,267+	24,268,985	288,742,653+	27,108,599
Due to Banks Abroad, Etc.					
U. Kingdom	$ 3,075,132	$ 5,831,223—	$ 2,756,091	$ 5,804,893—	$ 2,729,761
Foreign	35,397,393	34,991,442+	405,951	34,207,053+	1,190,340
Bills pay.	8,073,766	7,211,456+	862,310	10,364,956—	2,291,190
Lets. of cred.	49,129,619	54,755,663—	5,626,044	18,306,066+	30,823,553
Other liab.	2,141,661	2,289,686—	148,025	3,531,593—	1,389,932
Pub. liab.	$2,378,708,126	$2,356,824,132+	$21,883,994	$2,293,022,658+	$ 85,685,468
Due bet. banks	11,070,607	10,229,274+	841,333	9,826,016+	1,244,591
	$2,389,778,733	$2,367,053,406+	$22,725,327	$2,302,848,674+	$ 86,930,059
Liability to Shareholders					
Dividends	$ 2,424,275	$ 1,312,543+	$ 1,111,732	$ ......+	$ 2,424,275
Reserve	123,775,000	123,775,000	......	130,675,000—	6,900,000
Capital	123,409,260	123,409,190+	70	125,323,786—	1,914,526
Gross	$2,639,387,268	$2,615,550,139+	$23,837,129	$2,558,847,460+	$ 80,539,808

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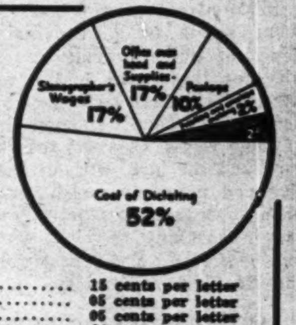

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SUBSCRIPTION PRICE
Canada, United States, and other countries in the Postal Union—$5.00 per annum.

PUBLISHED BY
THE MACLEAN PUBLISHING CO., LIMITED
143-153 University Avenue, Toronto.

MONTREAL, Southam Building, F. S. Chalmers; WINNIPEG 610 Confederation Life Building, E. H. Hawkins; BOSTON, 734 Old South Building, C. L. Morton; NEW YORK, Room 1606, 1133 Broadway, A. R. Lowe; CHICAGO, Room 1004, 168 North Michigan Boulevard; GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 88 Fleet Street, E. C., E. J. Dodd, director.

The detailed circulation statement we submit is not our own claim, but the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. Inspection.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

APRIL 11, 1924

ONTARIO'S BLACK EYE

FURTHER revelations in connection with the scandals in bond and other Ontario financial transactions emphasize the two serious phases of the situation—the heavy losses which the taxpayers of the province must bear and the looseness with which the business of the province was conducted, permitting such losses through graft or bungling.

The people of Ontario now demand that not only shall there be a thorough investigation to reveal what has been going on in the handling of provincial finances, but that those who have been guilty of graft shall be exposed and prosecuted. This applies not only to, the administration of the U. F. O. government, but also the preceding Hearst government which has been involved by statements bearing on transactions prior to the U. F. O. election.

Further the public interest demands that the financial machinery of the province shall be so improved that it will be reasonably fool-proof and graft-proof. To accomplish this THE FINANCIAL POST would again urge the appointment of a competent financial expert as permanent finance commissioner of the province. He could assume the duties of the deputy treasurer and if a man of the desired calibre could not be secured to work under a minister, than the premier himself could take this portfolio and thus establish a direct control which should largely eliminate political influences.

DISCOURAGING BANK BANDITS

WITH a reckless disregard for human life, bank bandits at Montreal have duplicated the bloody performance which took place in Toronto a few months ago, and added another to the long list of holdups which have occurred throughout the country. Fortunately, however, the Montreal crime has been followed by the rapid apprehension of the criminals, while in many of the other robberies the perpetrators have been able to make a successful getaway.

The bank burglary business has assumed alarming proportions. The motor car has facilitated successful escapades. Also there has been encouragement in the fact that where the bandits have been taken they have been given publicity and sympathy and sentences which have been cut too short through the activities of thoughtless, limelight-loving sentimentalists who get themselves all wrought up on behalf of the "dear boys."

In Montreal prompt arrests, with what seems to be convincing evidence of guilt, provide an opportunity for that quick justice which is the only effective method of bringing home to the bandit element the error of their ways. A short trial and the rope and the lash, without the publicity and notoriety which makes the criminal career attractive, will go far in checking a crime wave that has become a very grave problem in the financial community.

ARBITRATORS AS RUBBER STAMPS

BECAUSE he, with two other commissioners, signed a unanimous report to the Federal Government regarding the causes of unrest among the steel workers at Sydney, C. B., Fred Bancroft has been censured by the Toronto Trades and Labor Council. His action was condemned because the report did not hold out for the eight hour day and because of certain references to shop unions.

In effect this action of the Toronto Trades and Labor Council would render futile inquiries of this kind. What hope can there be of arriving at an equitable solution of a dispute if the representative of labor on the board cannot agree to any modification of the demands of those he represents? Are the employers to make all the concessions always? Why have an inquiry, if the representative of labor has no authority to do anything but hold out for the demands which the workers have made?

Labor leaders will seriously misrepresent the interests of the workers if they endeavor to control the actions of those who act as their representatives in the settlement of labor disputes—in short to make such representatives merely rubber stamps instead of arbitrators.

GETTING CAPITAL FOR NORTH

THAT it is appreciated by the Ontario government that capital "is a shy bird" and that as regards the development of the mineral resources if the province, steps will be taken to see that outside capital is given every encouragement, with the individual investor getting a "run for his money," was emphasized by Hon. Charles McCrea, minister of mines, in addressing a party of representatives of leading American investment houses in Toronto on Saturday. Mr. McCrea knows the North and its needs. His enthusiasm for that country is convincing. The earnestness with which he outlines the government's policy creates confidence. At the same time his warning to the element who would mine the public rather than mine the earth is clearly given:

"I intend to tell you that this province sets its face against the man who seeks to exploit the public by 'wildcat' schemes, 'fourflushing' and doing things which bring disrepute on legitimate mining operations. If people who spend their money on mining do not win we want them to feel they had a run for their money. We want you to broadcast this in the financial world. We appeal to you to come into the North and to see for yourselves the possibilities of the country."

Mr. McCrea is doing valuable missionary work in telling the world what Ontario has in the way of mineral resources. He wants to make the present $70.000.000 a year of production $200,000.000 a year. He is going to England this month to tell his story. The silver, the gold and the nickel are there. It is all a question of getting the capital. And if the government will stand behind Mr. McCrea in the policy he outlines, there can be little doubt but that the desired capital can be secured.

But the government of Ontario should always have in mind that, as Mr. McCrea has so well said, capital "is a shy bird" and that the investor is entitled to a "run for his money." Some of the other provinces are to-day experiencing a dearth of capital for legitimate development because of legislative abuses which have been perpetrated in the past

EDITORIAL NOTES

WHEN the Preston council passed a resolution asking that there be no drastic reduction of the tariff at Ottawa, the very sensible rider was added that "steps be taken to create a permanent non-political tariff commission." This is a step which has frequently been urged by THE FINANCIAL POST in the interests of sound taxation.

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BECAUSE the Ontario Hydro's control of the Toronto and Niagara Power Company is exercised through a board of directors, and the company thus bears a semblance to a private corporation, the Commission has been called upon to pay taxes on buildings in Thorold and Pelham townships. The Appellate Division has so ruled. The decision emphasizes how the provincial legislation is framed to relieve the Hydro from those contributions to the provincial treasury which private corporations have to pay.

• • •

THE resolution passed by the U. F. O. in connection with the Ontario bond scandal is evidently designed for political purposes, to convey the impression that after all the big financial institutions were to blame, and that the government and the public officials were only tools. This is evidently following the American political tactics of "blaming it on Wall Street." Canadian banks and Canadian bond houses should use their influence in the name of Canadian finance in seeing that the Ontario scadals are sifted to the bottom and the guilt fixed where it belongs.

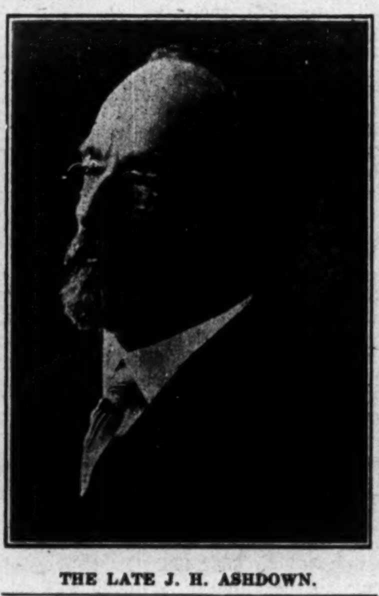
• • •

SPONSORED by Sir Adam Beck, a bill has passed the Ontario legislature which means that if the London Street Railway company's franchise is continued for another five years—which automatically occurs if the city does not take over the system—the fares will revert from 5 cents to the 7 and 9 for a quarter basis of the pre-war agreement. Sir Adam was asked if the cheap fares would be provided if the system were taken over by the city, and his reply was that the patrons would then have to pay what the service cost. The city council has shown a disposition to allow the company an income which will allow it to maintain service; Beck's policy is obviously directed to putting the company out of business, whatever the consequences.

Ashdown's Tin Shop of '69 Big Hardware Concern Now

The Career of the Builder Which Epitomized the Development of Western Canada Has Closed—Something About the Man and the Merchant

At the age of eighty, James H. Ashdown, merchant prince and picturesque figure of Western development, completed a career which was in a large degree synchronous with the making of Winnipeg,—from a pioneer settlement to a commercial and financial metropolis. To-day wherever hardware is used in Western Canada—and hardware is used practically everywhere—the name of Ashdown is known. In the wholesale trade of the whole country and in the retail trade of Winnipeg, for years the company has lived up to the reputation: "You can get it at Ashdown's." And if it was hardware it is the boast of the company that the slogan held good. This business started from a hole-in-the-wall shop acquired by Mr. Ashdown fifty-five years ago. Its upbuilding was typical of the country's growth. "Could you repeat what you have done?" was asked Mr. Ashdown recently. "Never," was his reply, "it could not be done under present conditions." Other big businesses may be organized in the West but they cannot grow as Ashdown's did, simply because the calendar cannot be turned back to the days and the conditions of the seventies.



THE LATE J. H. ASHDOWN.

The records of Mr. Ashdown's life and of his private business in the prairie provinces, show that he was born in London, England, March 31, 1844, that his people came to Canada in 1852 and that the early portion of his life was spent west of Toronto. The family lived for a time on a bush farm in Brant county, for a time they had a store in Weston and finally Mr. Ashdown spent three years in apprenticeship to the tinsmith trade in Hespeler.

When Winnipeg Had 100

From the town of Hespeler he went to Kansas and from Kansas he travelled to St. Cloud, Minnesota, from which point he walked four hundred and fifty miles into the Red River Settlement. The village had at that time a population of one hundred people, and Mr. Ashdown was destined to see it grow to a city of two hundred thousand, and to accumulate a large fortune as it grew.

During his first year in the West Mr. Ashdown painted a hotel and later worked as a lumberjack in the bush. In 1869 he bought from a German named Moser a small hardware business, at the corner of Portage and Main in the rear of a liquor store and in the following year he bought the corner of Main and Bannatyne where his retail business has since been carried on. His supplies were bought in St. Cloud, Minnesota, and freighted to Winnipeg by ox cart.

In later years business was begun in a wholesale way in a part of the retail store and eventually work was begun on the big wholesale building on Bannatyne east. In the farther West a retail store was opened in Calgary and later a warehouse. A very fine warehouse was erected a few years ago in Saskatoon to replace one destroyed by fire and in Edmonton a four-story warehouse was bought last year.

"Yes, We Have It"

The wholesale warehouse on Bannatyne street east, in Winnipeg, is something of a show place for the initiated. The stock of goods is very large considering the comparatively sparse population of the prairie provinces. Mr. Ashdown's heart has, however, always been in the retail store, still located on the site which he selected in 1870. It is said to be one of the finest retail hardware stores in the world. It has for many years been the pride of the management of this store to be able to say to a customer, "Yes, we have it." The tradition is that you must be able to get it at Ashdown's. Other hardware men dislike to buy slow-selling goods. Ashdown's also like to buy goods that sell quickly but the ambition is to have all the supplies for which a customer might reasonably look in a city hardware establishment.

In 1904 the familiar building on Main street, the home of this business for many years, was burned. Returning to the city, Mr. Ashdown said that business would be resumed on the same site in ninety days. Unfortunately it was late in the year. The difficulty would have been less had the misfortune occurred in the spring. In ninety days, however, the manager had his clerks behind the counter with a fair supply of hardware on the shelves and the business has been carried on without further interruption since.

In all his private and business life Mr. Ashdown was guided by the principle that wealth is most surely accumulated by small economies. Waste he regarded as a grave offence and he was always willing to save a penny. For many years he rode a bicycle on the streets of Winnipeg, partly as a health measure, and partly as an economy. He rode a wheel after he had become a millionaire, and when cars were common. The general public believed him to be close, and hard, and many stories were told about him in this regard, as he became increasingly prominent in business and public life.

The office which Mr. Ashdown used every day in the wholesale store in Winnipeg was completely enclosed with glass, so that any one could see in and anyone inside could see out. The head of the stairway could be seen clearly from the office.

A dealer was talking to Mr. Ashdown one day and noticed a little foreign girl appear at the head of the stairway. She wore a muffler round her head, a well-worn coat over a plain print dress, rough high boots and other corresponding clothing. The dealer expected the brusque, busy, rich little merchant might snap her head off.

"Mary," he asked, rising and taking her hand, "how many of your flowers did you sell?" She had obviously been in earlier in the day and told her story. "Three," she replied. "And how much did you get?" he inquired. "Ninety cents," she replied. "Ninety cents?" repeated the millionaire merchant. "Well, now, Mary," he continued, "you sit down here in this chair. My car will be here in a few minutes, and then we will go home to my house to lunch and I'll make Mrs. Ashdown buy all the rest of your flowers." It was by no means the first time that a little foreign child had been taken under somewhat similar circumstances to the palatial home on the beautiful Crescent in Fort Rouge.

Gave in a Big Way

Wesley College, in Winnipeg, benefited through the generosity of Mr. Ashdown in 1919 to the extent of $100,000. He was chairman of the board for twenty years and a consistent supporter through the thirty-five years of its history. The president, J. H. Riddell, a Methodist minister, used to go to him on occasion to get $5,000 to $10,000 as needed. About the time of the gift of $100,000 to the college, a gift of $50,000 was made to the Forward movement when a large sum was being raised in the Methodist church for the general, missionary, and other purposes. The Y.M.C.A., the Y.W.C.A., the general hospital, and almost every other similar organization in the city, had him enrolled as one of their constant friends.

His Sure Judgment

The accuracy of Mr. Ashdown's practical knowledge was shown on one occasion when the beautiful Methodist church on Broadway was being erected. The foundations were scrutinized by him and although they were approved by the architects, he declared that they would not carry the tower. The event proved the validity of his judgment. The usual rains fell in the course of construction, perhaps somewhat heavier than were anticipated. the substructure gave way, and the stone work subsided in a mass of ruins. Mr. Ashdown's judgment had been overruled, but he increased his contribution to aid in covering the added cost.

In public affairs Mr. Ashdown played a considerable part. He was a member of the first city council and later was elected mayor, getting a second term by acclamation with a council pledged to support his politics. In the earlier years he was known in a special sense as the father of the city. Early in the seventies there was prolonged discussion about the name which the coming city was to have, and later there was a struggle with the Legislature about the charter. History tells that the Speaker of the Legislature was actually tarred and feathered by the infuriated citizens as the result of an extremely unpopular decision regarding the charter given from the Chair in the House. There were several little settlements in those days, each hoping to be the centre of population. There was Fort Garry, Point Douglas, and St. John, in addition to the area in which Mr. Ashdown had located. Winnipeg was the favored name, and Mr. Ashdown, short, slight and young, proved a bonnie fighter for a proper charter. Always hopeful for the West, he urged that, since Winnipeg was destined to be a city, the citizens should start right, by securing a city charter. After the tarring and feathering incident, it was evident that no charter would be given at that session, but in the following year the fight was resumed, with young Mr. Ashdown, already the president of the board of trade, in the van. The Legislature offered incorporation as a village, and then as a town. Mr. Ashdown refused all offers to compromise, and finally obtained the approval of the bill which his friends had prepared and submitted.

In 1904 the Dominion Government appointed Mr. Ashdown to sit on the Royal Commission on Transportation. He also served on the Shoal Lake Water Commission. In the Canadian National Conference, held at Ottawa in September, 1919, he was selected to represent the wholesale trade of Canada.

Mr. Ashdown was one of the incorporators of the Northern Crown Bank, and his name was on the directorate of many other financial corporations, including the Bank of Montreal, Northern Trust Company, Northern Mortgage Company, Canadian Fire Insurance Company (of which he was president), Northern Mortgage Company, Indemnity Exchange, and others.

Colonel Price, Moving Spirit in Bond Probe, Was a Gamey Witness

Not since the Gamey-Straton sensation of 1903 has Ontario's legislature had so many thrills as those developing from time to time before the Public Accounts Committee of the Ontario Legislature in what is now termed "the Bond Scandal."

An interesting sidelight is the fact that a somewhat prominent actor in that not-to-be-forgotten expose of so many years ago is found in the role of chief inquisitor of the present scandal.

Seemingly, William Herbert Price has a ntaural bent for legislative investigations. He was a student-at-law when the Gamey-Straton tragedy was being staged, but he appeared in an important role. His first part was a listening one. He and two others hid behind pianos in the old Grossin piano factory, somewhere near Adelaide and York Streets, Toronto, and listened to Frank Sullivan, an agent of Straton, and R. R. Gamey discussing the details of the plot to get legislative support of a certain measure. It was a plan of Gamey's making. Later, young Price had a speaking part—when the commission got its probe under way—and one of the counsel for the defence, now Mr. Justice Riddell, commended the witness on his excellent memory. He had related the Sullivan-Gamey conversation in sequence, without having made a note. His evidence, and that of his fellow listeners caused quite a stir at the time.

Now Col. W. H. Price, K.C., M.P.P., provincial treasurer, sits in the chair of chief inquisitor, as from the department he now presides over arises the scandal which is gathering momentum almost daily.

To Get The Taxes Reduced

Editor, THE FINANCIAL POST,

Sir: All readers of your very informative paper must feel grateful for your sustained efforts in the interests of the whole people of Canada, for better government in all spheres—federal, provincial, and municipal.

If "the press" of Canada would stage a non-party campaign, an honest-to-goodness genuine effort in the interests of the whole country, based on fair-play and justice—a real "reform of government" week—with sufficient facts on which to base action, a give and take policy, as opposed to the "game of grab" —it would be one good precedent; it could inform, as nothing else would; and might be the means of starting co-operative effort, which would result in sane progress.

At any rate, it would be "different" from the so-called "delegate" system, which calls on "government" to quit spending except in our constituency! Government scrutineers should examine the "status" of all delegates; a great many represent very few people, apart from themselves.

Another important point is, that the majority of people have a wrong conception of what constitutes "government." They allude to it, as though it were something quite "apart" from themselves. Methinks, if our would-be-politicians would tell them the truth, or leave them alone; and especially if they realized, that all government favors had to be paid for by themselves, in taxes; there would be fewer demands!

If our country has too much government (of all kinds) in numbers; and too costly governments, in salaries and expenses;

If civil servants are so numerous they are in one another's way; and hours of work too short, and the pay-envelope too long;

If our senate is too expensive.

If the expense of all this "overhead" is back-breaking, and driving people out of the country, and generally keeping people's pockets depleted, so that business is suffering, and things in general in a deplorable condition;

Then, no policy of economy and retrenchment can ever function successfully with half measures. I submit (as I pointed out in your issue of December 21, 1923), the only proper place to begin the reform is at the top. Reductions in numbers and salaries, all down the line; instead of increases.

And the important thing is that although the savings in salaries and expenses would be well worth while, they would be trifling as compared with the many millions saved in other ways.

It would greatly hearten and encourage the people who pay the bills — morally and practically. Let all unite and demand consideration. With more reasonable taxes, and justice replacing laws, the exodus would cease, and the problem of immigration would solve itself; because the people would be able to retain more of their hard earned money for themselves.

FRANK W. FOURNEY,
Prince Albert, Sask., April 4, 1924.

CURRENT OPINION

THE HOME BANK INQUIRY

(Kingston Standard)

The Dominion Government has made up its mind that there shall be an inquiry into the affairs of the Home Bank and a glance at the instructions given the Commission of Inquiry will show that some very searching questions will be asked. At the same time it is announced that the Dominion Government will have an inquiry made into the methods of income and business profits tax collection in the years from 1918 to 1921 owing to allegations made that the Treasury of the Dominion was deprived of large sums through faulty, or worse, collection.

The public will agree that the affairs of the Home Bank should receive thorough investigation, and so should any well supported complaints as to these tax collections, but it will be noticed that both of these have to do with the late Meighen Government, and it can be well understood that the present Government would not be adverse to find cause of complaint against it. The public must insist upon those two inquiries being perfectly above board, and not used for political purposes.

WANT BLUE SKY LAW

(Victoria Colonist)

Because the attorney-general's office has fallen down on its job of protecting British Columbia investors from sharks of all descriptions, this province needs a blue sky law of the strictest possible type.

That succession of financial scandals beginning with the Dominion Trust and ending with the L. R. Steel fiasco, was a disgrace to the laws of the province. And there seems to be no indication that anything is being done to put a stop to the series.

No laws or warnings have ever been effective in keeping the small investor from the shark, once the shark gets established.

But there are laws that are effective in keeping the shark from getting established and in keeping him away from the small investor.

Those are the laws that British Columbia should have.

The sublime faith this province once had that the attorney-general's department was able to keep out the industrial tricksters has been dissipated.

What B. C. now needs is adequate machinery for dealing with them in the courts. Without that machinery B. C. people will continue to be robbed.

AN EXPERT NEEDED

(Peterborough Examiner)

The present session of the Ontario Legislature should not pass without the appointment of a permanent financial controller for the Province, or at least without the passing of legislation authorizing the Government to select such an official.

The premier announced soon after he came into power that a controller would be appointed, but afterwards intimated that there was difficulty in finding the proper man, owing to the high value financial experts put upon their services.

Undoubtedly to secure an official with the proper qualifications the province will have to pay handsomely, but an experienced and competent financier, given authority enough to ignore political influences and run the financial operations of Ontario on a business-like basis, would be worth a big salary.

The revelations before the Public Accounts Committee of gross incompetency on the part of the Hon. Peter Smith in particular and the Drury government in general, incompetency that buying tax-exempt issues sums many thousands of dollars above the market value, show how useful an efficient financial controller could be.

All treasurers of course are not Peter Smiths, but few of them have the technical efficiency to guide the financial affairs of the province with the utmost accuracy.

The services of a financial expert should be available at all times for that purpose, even if it will be necessary to pay a salary much bigger than the premier receives.

PERSONAL

LUC ROCHEFORT, who made a strong fight for Montreal's mayoralty but dropped out at the last minute to support Charles Duquette, the successful candidate, is general manager of Credit Canada, one of the important French Canadian investment houses. Mr. Rochefort fought against ex-Mayor Martin three years ago but was defeated by a fairly small majority.

E. M. ASHWORTH, the new general manager of Toronto's Hydro Electric Commission, entered the service of the commission in 1910 as assistant to the managing engineer, and when H. H. Couzens became general manager in 1913, Mr. Ashworth became his assistant. Since 1920 he has been acting general manager. He is a graduate of Toronto University and began his career with Canadian General Electric. He was born in Newmarket.

D. W. HARVEY, who has been appointed general manager of Toronto Transportation Commission, is in his 37th year, having been born in London, Ont., where his parents now reside. He was educated at London and Toronto University, graduating from the School of Practical Science. For a time he was civil engineer with the Ontario Power Co., at Niagara and from 1911 until the taking over of Toronto Street Railway by T. T. C., he managed Toronto's Civic railway under Works Commissioner Harris.

CHARLES DUQUETTE, Montreal's new mayor, is the head of a large fraternal insurance organization with about seven millions of assets and 35,000 members. This is the Alliance Nationale, which operates among the French Canadian community. Mr. Duquette was originally in the shoe business but a number of years ago went with the Alliance Nationale and eventually became president and director general. He entered Montreal's mayoralty campaign, practically at the last minute, and on the request of numerous groups of business men who were out to relieve Montreal's ten-year mayor, Mederic Martin, from further occupancy of the post. An interesting pre-election feature was the appearance of an announcement signed by a committee of English speaking citizens, headed by Sir Charles Gordon, asking the citizens to vote for Mr. Duquette. And indeed it was the English-speaking population of Montreal that swung the election from Martin to Duquette. The latter got the votes of the English wards in sufficient number to oust famed Mederic. Mayor Duquette is president of the Canadian Fraternal Association, and is representative of l'Alliance Nationale in the National Fraternal Congress of America. He is considered an expert in the mutual insurance system.

Howard Smith Paper Mills
LIMITED

7% Bonds to Yield 7.20%

The Howard Smith Paper Mills, Limited, is the largest manufacturer of high-grade writing and book papers in Canada. Its development has been both striking and substantial. The gross sales of the Company, which were $694,966 in 1916, had grown to over $4,303,000 in 1923. The net earnings available for bond interest increased from $165,000 to over $772,000 in the same period.

The High Quality of the products and the steady development of this company, together with our intimate knowledge of its sound financial policy and good management, is our basis for strongly recommending these bonds.

The bonds are issued in denominations of $1,000, $500 and $100, and are of a good term, maturing 1st January 1941. PRICE: 98 AND INTEREST, YIELDING 7.20%.

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

CANADA GOLD SYNDICATE

Enquirer, Brantford.—What is your opinion regarding a small investment in the Canada Gold Syndicate?

Canada Gold Snydicate has control of several properties in Northern Ontario. It proposes to develop them when funds are raised. It is quite speculative.

COBALT FRONTENAC

Banker, Ontario.—We would be glad for information about Cobalt Frontenac Mine, headquarters Tweed, Ont.

Cobalt Frontenac Mining Co. owns Golden Fleece mine in Eastern Ontario. It purchased the property in 1916 and has been developing as capital was raised. There is a fair plant on the property. The mine is in an unproven area and the venture is to be regarded as quite speculative.

CANADIAN WOOLLEN

M. C., Brantford.—I hold some stock in the Canadian Woollens, and have not received any dividend for over a year. Do you think this stock will pick up in the future, and if so will they be able to pay their back dividends?

The chances of an early resumption of dividends on stock of the Canadian Woollens, Limited, are not bright. Owing to the adverse conditions in the woollen industry much difficulty has been experienced in earning profits. Foreign competition and the reduction in preferential tariff have been hard to overcome. Profits for the past year were on a much smaller scale than previously. The directors are: A. O. Dawson, president; W. K. George, first vice-president; F. B Hayes, 2nd vice-president; Wm. Hanson. G. O. Perry, I. Bonner, F. R. Sweeny.

ABITIBI

L. M., New Brunswick. — Is Abitibi stock a good buy at the present stage? What rate of dividend are they paying? Do they pay every three months or yearly? How long have they been paying dividends?

We do not recommend the purchase of the newsprint stocks at the present time. Canadian newsprint companies are thoroughly sound and will be able to withstand any period of adjustment in the newsprint market. In fact, we feel that any period of difficulty in newsprint would serve to emphasize the dominant position of Canadian producers, as compared with newsprint producers in the United States. Nevertheless, there is evidence of weakening in the newsprint market which may be of some months' duration, and this may have a strong sentimental effect in bringing about lower prices for some of the newsprint stocks. This, of course, is not definite, but the situation is so obscure that we would hesithat to recommend the purchase of Abitibi or any of the other newsprint stocks that have been split, and are therefore selling at high levels.

MUNICIPAL BANKERS

Banker, Chatsworth. — Would you kindly favor me with your opinion of 6½ per cent., 20 yr. mortgage gold bond due February 1, 1942, issued by Municipal Bankers Corporation? A client of mine is thinking of making a purchase, and as he has asked for advice. I would appreciate your opinion.

The Municipal Bankers' bonds are well regarded, and should prove a satisfactory investment for your client. The bonds are secured by mortgages on houses in the city of Toronto. These mortgages are deposited under a trust deed with a well known trust company. Valuations of the property are also made by independent officials of Toronto trust companies.

The men behind the company are highly regarded, and they have had considerable experience in financial and business operations.

TORONTO RAILS

Chemists. Montreal.—What likelihood is there of Toronto Rails appeal going to Privy Council; what is the situation as to the interest award; what is per share value of assets other than that taken by city; what is the situation in regard the bood issue maturing in July; what is the estimate of the ultimate value of the stock?

The general opinion is that the appeal of the city against the award of the Toronto Railway arbitrators will go to the Privy Council. The hopes are that the hearing will be arranged for June. After that question is disposed of there will have to be an action to settle the interest question. The company's last statement showed a surplus of $1,000,000 and other assets should increase this 50 per cent. or about $12 per share. The bond issue maturing in July was taken over by Hydro but the company in the meantime has $4,000,000 bonds from the clean-up deal set aside to meet it, if needs be. Those well posted in the affairs of the company estimate, if the award of the arbitrators is unchanged by the Privy Council, that the value of the stock will be around $108 to $110.

STANDARD RELIANCE ASSETS

Lumber Dealer.—We are offered shares Standard Reliance Assets in exchange for shares. Is the stock worth anything and if so, what percentage of par? The stock carries 5 per cent. interest, but we do not know if regular payments have been made.

Preferred shares of Standard Reliance Assets were issued to preferred creditors. At that time there was a deficit of $600,000. The company is steadily realizing on assets however, and the outstanding claims now are $400,000. As assets are disposed of, distributions have been made on a basis of 5 per cent. yearly, and also by additional payments as reduction of share value. To date 30 per cent. has been paid on these shares, all payments being regarded as a return of capital. The company is satisfied that the creditors will be paid in full, which would mean that they will have 70 cents more coming to them. Then, possibly, if there are other funds, interest may be paid. Those handling the affairs of the concern state that the assets are shaping up so well that there are good chances of interest payments. It might be noted that the conservative valuation placed on the shares for secession duty is 45 cents.

JAPANESE LOAN

A. R., Halifax.—I have two or three thousand dollars to invest. I am an old man and have already sent you a list of my investments. Please let me know if you consider any of the following investments suitable in my case. Japanese Loan of 1924. 30-yr. 6½ per cent; Newfoundland Light & Power, 6½ per cent. bonds; Montreal Tramways & Power 5-yr., 6 per cent. collateral; City of Edmonton 5½ per cent. bonds. Or would you prefer something on the exchange, such as Bell Telephone or C.P.R.?

Almost any of the securities you mentioned would be suitable investments for you. The Japanese loan has the advantage of being in the hands of one of the strongest financial groups ever assembled, and it has the attraction of a fairly high yield with the credit of the Imperial Japanese Government.

Newfoundland Light & Power Co bonds are being issued in connection with the change of control of the street railway and lighting system in the city of St. John's, Nfld. The security is good, due to the potential expansion of Newfoundland and its principal cities.

Montreal Tramways & Power Co. five-year six per cent. bonds have the disadvantage of a short term, but the security is excellent.

City of Edmonton has improved its financial position considerably during the past few years, and it is doubtful if there is any longer cause for concern as to the city's future and financial position.

Have you considered the purchase of Bell Telephone rights, which would enable you to purchase Bell Telephone stock on instalment plan at a net price of about $125 a share?

MONARCH LIFE ANNUITY

Bachelor, Calgary.—I am a bachelor, forty-nine years of age, with no one dependent upon me and I am considering means of guaranteeing myself an income for life. The Monarch Life of Winnipeg have placed a proposition before me calling for the payment of $13,240, in return for which they undertake to pay me $1,000 per year for the rest of my life, the first payment falling due twelve months hence, and have further pointed out that until I am prepared to retire I can further increase my future income by purchasing additional annuities every year, by the application of the amount received from the company, in addition to what I may be able to contribute from my earnings.

Will you be kind enough to advise me if you consider the Monarch Life responsible and safe to deposit my money with and the proposition they have submitted an attractive one under the circumstances.

The Monarch Life Assurance Company of Winnipeg has been doing business in Canada for many years. The company is licensed by the Dominion Department of Insurance and maintains the required government deposits and reserve against the business in force. It is safe to insure with, and the contract offered you is a desirable one for a man in your position. A contract of this sort does two things. It assures you of payment of the amount specified each year as long as you live, and it protects you against unwise investments. The rate quoted you is a reasonable one.

MARCONI WIRELESS

C.C., Vancouver.—Will you kindly let me have your opinion as to the stock of the Marconi Wireless Telegraph Co. of Canada as an investment and as to the prospect of dividends?

Marconi Wireless telegraph stock at the present time is nothing more than a speculation, and one offering very indefinite possibilities. The company has been losing money for some time past, and when the 1923 annual report is presented to the shareholders next June, it is quite likely that it will show that the company went behind during the year again.

The entire future of Marconi is wrapped up in the negotiations between the British Post Master General, and the British Marconi Company in regard to the establishment of a chain of wireless stations throughout the Empire. The Marconi Company have made a proposition to the British government to build stations in Great Britain, Canada, Australia, and India, which would give wireless communications throughout the Empire. The British Post Office at the present time is favorable to public ownership and operation of such a chain of wireless stations, and negotiations have come to an absolute deadlock. If the decision is favorable to the British Marconi Company, the Canadian Marconi Company would be an important unit in this chain of wireless stations, and its success would undoubtedly be assured. But if the decision is unfavorable to the British Marconi Company the prospects might not be so bright for Marconi Wireless Telegraph Company of Canada.

The Canadian company is to some extent in a favorable position in that the British Marconi Company also has franchise rights for wireless communication with Canada, and there is already a certain amount of business between the two countries via Marconi. But this is not enough to pay the cost of the immense plant that must necessarily be operated.

There is not a great deal of Marconi stock on the market. Over 80 per cent. of the shares of the Canadian company are owned by the British Co., which acquired last year the holdings of the Canadian General Electric Corporation. Recent quotations in the stock have been around 75 cents, which is a distinct decline from the high levels of a year ago.

With the situation as obscure as it is at present, we would not recommend the purchase of the stock as an investment, but would advise any investor to approach it only as a speculation.

ST. MAURICE POWER

Subscriber, Ottawa.—I would be interested in securing information in connection with the St. Maurice Power Company. I would especially appreciate information as to the following: Date of incorporation, capital stock, amount of bonds, location of its plant, number of h.p. to be developed, total cost of proposed plant, names of the directors of the company, lowest and highest quotations, market price, of its common stock since organization, also if you would advise purchase of its common stock at present levels, in other words, if you think there are good speculative possibilities in this proposition?

The St. Maurice Power Co. was incorporated under the Companies Act of Canada about a year ago for the purpose of developing a hydro-electric power site at Gres Falls, about six miles below Shawinigan Falls on the St. Maurice River. The company has $7,200,000 of capital stock outstanding, the majority of which is owned by the Shawinigan Water and Power Co. There is no preferred stock, but there is outstanding an issue of $9,026,600 of first mortgage bonds, and $973,400 of debenture stock, or a total of $10,000,000 of mortgage securities ahead of the capital stock.

The company is now developing its site, and the installed capacity of the plant will ultimately be 150,000 h.p., all of which will be sold to the Shawinigan Water and Power Co., and distributed on its system. Contract has been entered into with the Shawinigan Co. for a period of forty years whereby the latter company takes all the power at a price sufficient to yield the St. Maurice Company sufficient net income to meet the operating expenses, maintenance, taxes, interest charges, and a substantial sum in addition.

Having regard to the record of other water power companies, particularly those developed by the same group of individuals, we would think that there are excellent prospects of the common stock eventually going on a dividend basis and acquiring a value much higher than it at present has in the market. At the present time the stock is selling at around $63 a share in unlisted trading, but it has not yet been listed on the stock market.

In purchasing the stock it must be remembered that it may be a matter of years before it is put upon a dividend basis, and the investor thus loses the interest return on his money during that period.

HOGUE OIL

W. L., Montreal.—Could you oblige the writer by a report on the Hogue Oil Co., Transportation Building, Montreal? What are the prospects of success?

There are so many good investments in Canada, that we do not see why it is necessary for anyone to send his money to Texas or Oklahoma to invest in the mining stocks so active as the Hogue Oil & Refineries. The company claims to have 75 producing wells at the present time, but for that matter every worked oil promotion that has been financed in Canada in the past few years has been able to show large numbers of producing wells on its properties. Half of such wells are on properties that are practically worked out, and often it is found that the company has only a lease for a short period on what would be classified as a good property. Typical of the methods of the Hogue Oil & Refining Corporation is the issuance by the president of an extensive report on the company's property in which he states that he is of the opinion that the Hogue lease is proven and that good wells may be expected on any location. Yet he admits that he has not seen the property and has merely examined the latest development map.

Perhaps you could get some better idea of the value of this proposition when you realize that it is planned to merge the Hogue Oil & Refining Corp. with another oil company, and to give four shares of the stock of the new company for one share of Hogue Oil. But, although $1 a share is being asked for the Hogue Oil stock, the stock of the other company can be purchased on the New York curb for less than 10 cents a share which would mean that four shares of this stock could be purchased for forty cents, although the Hogue Oil is offering stock at $1 that is exchangeable into four similar shares of the other company.

You will note that Hogue Oil is paying 12 per cent. per annum on its stock. A moment's thought will convince you that any company in a position to pay 12 per cent. per annum dividends does not require to sell stock to finance its further operations.

Clean Up Odds And Ends

Subscriber, Didsbury.—I am desirous of some information with regard to certain investments which are not revenue producing: One share Augustine Automatic Rotary Engine; four B. C. Fishing; two com. Canada Bread; four pref. one com. Canada Steamships; one Niagara Falls Suspension Bridge; two pref. Ont. Wind Engine & Pump; three Permanent Realty Corporation Ltd.; three com. Toronto Brick; two pref., two com., Chicago North Shore & Milwaukee Rly. Co.; ten com. Duluth Superior; four pref. Illinois Power & Light; one Marconi Wireless Telegraph Co.; eleven Minneapolis, St. Paul & Ste. Marie, com.; two pref. Minneapolis, St. Paul & Sault Ste. Marie; six The Noiseless Typewriter Co., Inc.; one Twin City Rapid Transit Co., com. Information desired.

1. Which are advisable to keep from the investment viewpoint?
2. Which are purely speculative and have they any merit or not?
3. I hold one bond Mexican Northern Power Co., $1,000 valued at approximately $500 now. What is the future in sight for this company? I am informed that the company is anxious to call these bonds in, issuing preferred stock on the basis of 1½ shares per $100 of bond. What is your opinion of this?
4. What are the values on the unlisted stocks, in fact a valuation on all would be appreciated?

You are working along the right line in trying to clean up your list of odds and ends, and put them on as profitable a basis as possible. There are some very good and some poor issues in the group.

Mexican Northern Power was taken over by Northern Mexico Power and Development Co. Reports from Mexico are that conditions are improving. The company has high hopes of the settlement of its heavy claim against the government. If this is achieved it will place it in a much better position. Steady development is being carried ahead. The bonds have been exchangeable on the basis you outline for some time.

There is no market for Augustine Engine. They have been selling stock for 12 years. No recent financial statement is available. A new company is being organized to sell the engine on a royalty basis.

Canada Bread common shares are good. Dividends were just resumed on it, and the outlook is excellent.

Both steamship stocks are well regarded. The company is steadily bettering its position.

Of Niagara Falls Suspension Bridge we have no information. You had better write the company. It has been intimated that the stock is good.

Ontario Wind Engine and Pump preferred is about 10 years in arrears of dividends. The outlook is that they will hardly be paid. The shareholders and company will have to get together on the matter. Company's main trade is with the farmers, and like the implement houses have suffered. Most recent sales around $45.

Permanent Realty Mortgage is unknown.

Toronto Brick, common, stock fairly well regarded, but market poor, present quotation around 28.

C. N. S. & M., preferred, 57 to 60; common, 22 to 26, present market.

Duluth Superior, fair. Just earned dividend last year.

Illinois Power and Light is the new stock of the Illinois Traction. The basis of exchange was share for share. The stock is well regarded.

M. St. P. Soo, common and preferred. Dividends on both stocks have been paid irregularly. At present time there are reports that the dividend may be cut again.

Noiseless Typewriter. There were two of these concerns. One was taken over by the Remington. Better get in touch with the Noiseless Co., at Middletown, Conn.

What Are We Going to do About the War Debt?

(Continued from page 1)

the sinking fund would produce a surplus for reinvestment whenever a higher yield than the assumed rate of 4 per cent. was obtained.

The virtue of this plan is that it calls for a relatively small amount which can be saved by economical administration. In other words, if the present plans for economy are put in operation the sinking fund levy of $10,000,000 would not mean any increase in taxation, and as the country developed the burden would become proportionately less.

From a practical point of view such a plan has disadvantages which demand consideration. In actual practice it would require the trustees to invest each year increasing amounts of money and the effect upon the market prices of securities would be considerable. Then again huge amounts of securities would have to be held at various times and there would always be the dangers of corruption, of favoritism in purchasing bonds and of the reluctance of the government to vote the necessary appropriation for the sinking fund. In later years there might also be the impossibility of obtaining suitable investments to yield 4 per cent.

A variation of this plan would provide for the cancellation of the Dominion government securities as they were purchased, which would be more similar to the policy adopted in the United States. Another sinking fund plan would be to set up a separate sinking fund for each loan to redeem it at maturity. This would work out as follows for bond issues refunded for the same periods as in the previous table:

Year	Annual Investment Increment	Annual Interest Charge on Debt Outstanding	Total Interest and Sinking Fund Levy	Bonds Redeemed
1924-1943	$24,820,345	$100,695,819	$125,516,164	$107,955,650
1944	21,195,006	94,758,258	115,953,264	42,014,500
1945-1946	19,880,787	92,657,533	112,538,321	92,505,650
1947-1950	17,354,545	87,569,722	104,924,268	52,931,600
1951	16,230,355	84,917,642	101,147,998	85,395,750
1952-1956	14,523,333	80,226,376	94,749,709	326,465,750
1957-1962	9,592,535	62,721,594	72,314,129	200,000,000
1963-1967	7,380,369	52,721,594	60,101,963	446,663,800
1968-1973	3,510,232	28,155,085	31,665,318	511,910,650

Such a plan would have the same disadvantages that are attached to the first, and, in addition, it would entail a larger burden for interest and sinking fund in the first years than in the last years and this would increase proportionately the load at a time when taxes are already high.

On the whole, these plans are not so desirable as a modification of them which consists in building up small sinking funds and utilizing the investments to reduce the amount of bonds refunded. This plan will be considered after attention has been directed in another article to the possibilities of issuing serial and instalment bonds to redeem the debt.

Howard Smith Paper Mills

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—one of the world's oldest industries — making fine writing and book papers.
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To yield 7.20%
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Our current weekly offering list contains a wide selection of Government, Municipal and Corporation Bonds, yielding from 5% to over 7% at current prices.

In view of the present scarcity of Bonds, some very advantageous purchases may be made from this list.

Write for a copy today.

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MONTREAL
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April Bond List

The last Dominion and Provincial issues have now been almost completely absorbed and indications point to the fact that in the event of the usual heavy spring buying taking place, a scarcity of high grade securities is certain to occur.

We recommend the wide range of bonds described in our April Bond List, and suggest that they are worthy of your immediate consideration.

We would be pleased to forward a copy upon request

Gairdner, Clarke & Co.

312 Bay Street, Toronto — Dominion Express Bldg. Montreal

We own and offer

$292,000 City of Hull, Quebec

23 year 5½% Bonds, due 1st May, 1947

Price 102.64 and Interest to Yield 5.30%

Denomination: $1,000. Interest May and November.

Circular giving complete details mailed on request. Orders may be telegraphed at our expense.

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MARKET FOR POWER

6½% AVON RIVER POWER COMPANY

First Mortgage, 30-Year Sinking Fund Gold Bonds.

Sufficient power is being sold to the Windsor Electric Light Company, the Gasperaux River Light, Heat and Power Company, and to local industries to pay, by a comfortable margin, operating expenses, bond interest and sinking fund charges. Other favorable contracts are pending.

Ask For Descriptive Circular.

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NEWS AND VIEWS ABOUT BONDS

DISPOSE OF ISSUE OF TORONTO BONDS IN RECORD PERIOD

More Municipal and Provincial Financing Now in Sight

Interest in the bond market has increased this week following the sale of the City of Toronto bonds to a syndicate of bond dealers last week. The city secured its money at a cost of 5.33 per cent. and the bonds were offered to the public at prices to yield from 5 to 5.25 per cent. according to the maturities purchased. Those handling the issue, report that the offering met with a good response from buyers and is now largely disposed of. It is understood that the banks bought substantial blocks.

Issues brought out previously are also being disposed of satisfactorily. However, there are a number of blocks of municipal bonds issued some time ago which have not yet been placed with ultimate investors. Some large investors feel that the prices on municipal issues have been too close to those of Provincial and Dominion issues, and that a wider spread in the yields of these must be looked for in future.

With plenty of money in sight for some time and prospects of new issues, there is reason to look for an increase in the volume of sales. Several cities, including Oshawa and Regina, are seeking tenders and the province of New Brunswick will offer an issue shortly. It is expected that Calgary will be in the market for substantial amounts before the end of the year and Toronto still has some financing to do, while Ontario will, it is understood, require approximately $40,000,000.

The New York bond market shows some weakness, though losses have been fractional in every case, as money is plentiful. There is a feeling among municipal dealers in the United States that the curtailment of municipal borrowing is not great enough. Sales to date this year are larger than in any previous year except 1922. Reports from New York, forecast considerable Canadian financing in that market before long.

The London market, which has been strong since the beginning of the year, has shown a tendency to strengthen, following the announcement of the British War Loan conversion. The new stock being issued to replace the old bonds has a lower coupon rate, which reduces the tax assesement somewhat. This has had the effect of raising prices, which in turn reacted on other bonds.

Award Hull Bonds

An issue of $292,000 City of Hull, 5½ per cent., 23-year bonds, was awarded to Bain, Snowball & Co., and Municipal Bankers' Corp., at 100.65. The bids were:

Bain, Snowball & Co., and Municipal Bankers' Corp.	100.65
McLeod, Young, Weir & Co.	
Bell, Gouinlock & Co.	99.17
Credit Canadien	99.00
Wood, Gundy & Co.	98.72
C. H. Burgess & Co.	98.11

Buy Peel Bonds

Dominion Securities Corporation were awarded $167,500 of County of Peel 5 per cent. 20 equal annual instalment bonds, at 97.6541. At this price the money costs the county approximately 5.30 per cent. The 20 tenders were.

Dominion Securities Corp.	97.6541
R. A. Daly & Co.	97.616
Dyment, Anderson & Co.	97.58
MacNeill, Graham & Co.	97.57
McLeod, Young, Weir & Co.	97.47
Aird, McLeod & Co.	97.42
C. H. Burgess & Co.	97.382
Aemilius Jarvis & Co.	97.37
Matthews & Co.	97.33
Wood, Gundy & Co.	97.34
Zimmerman & Malloch	97.32
Goss, Forgie & Co.	97.15
Municipal Bankers' Corp.	97.164
Murray & Co.	97.14
A. E. Ames & Co.	97.13
Gairdner, Clarke & Co.	97.03
Nesbitt, Thomson & Co.	97.071
Stewart, Scully & Co.	96.69
W. A. MacKenzie & Co.	96.51
W. C. Brent & Co.	96.283

North York Issue

An issue of $80,000 5½ per cent. 20 instalment bonds of the Township of North York was awarded to Bain, Snowball & Co., on a bid of 101.04. The bids were:

Bain, Snowball & Co.	101.04
Sterling Bank of Canada	100.90
Wood, Gundy & Co.	100.75

Buy Fort Frances Bonds

Harold A. Tubby Co., Winnipeg, have purchased three issues of Fort Frances bonds. They consisted of $6,261.15 due 1937, $3,895.97 due 1924 and $48,072.05 due 1942, all being 6 per cent serial issues.

Toronto Township Award

An issue of $23,000 Toronto Township 5 per cent. 30-year instalment bonds was awarded to A. E. Ames & Co., on a bid of 96.72. The tenders were as follows:

A. E. Ames & Co.	96.72
Bain, Snowball & Co.	96.532
R. A. Daly & Co.	96.53
McLeod, Young, Weir & Co.	96.21
Gairdner, Clarke & Co.	96.18
Dyment, Anderson & Co.	96.11
Municipal Bankers' Corp.	96.073
C. H. Burgess & Co.	95.88
Goss, Forgie & Co.	95.74
Bell, Gouinlock & Co.	95.37
William C. Brent & Co.	95.28
A. Jarvis & Co.	95.13
W. A. Mackenzie & Co.	94.77

Sell Bonds Locally

After calling for tenders on an issue of $30,000 of 5½ per cent. 10 instalment bonds the Township of North Norwich awarded the bonds at 100.30 to a bidder whose name was not disclosed. The other bids were:

R. A. Daly & Co.	100.27
Bird, Harris & Co.; Dyment, Anderson & Co.; and Bain Snowball & Co.	100.16
Matthews & Co.	100.11
A. E. Ames & Co.	100.06
McLeod, Young, Weir & Co.	100.03
Housser, Wood & Co.	99.88
Nesbitt, Thomson & Co.	99.79
C. H. Burgess & Co.	99.76
Gairdner, Clarke & Co.	99.63
Wood, Gundy & Co.	99.59
Aemilius Jarvis & Co.	99.53

Interesting Bond Issues

Steel of Canada Sixes Have Splendid Record

Few Canadian bonds, outside of government and municipal issues, offer investors the same degree of security and marketability as the 6 per cent. first mortgage bonds of the Steel Co. of Canada. The favor with which these bonds are regarded is indicated by the stability of their prices, even in times of extreme depression in the market. The bonds, which mature July 1, 1940, are selling around 102 yielding 5.81 per cent.

The issue was originally made in 1910 to provide funds for the acquisition of the Hamilton Steel & Iron Co., the Montreal Rolling Mills Co., Canada Screw Co., Dominion Wire Mfg. Co., Canada Bolt & Nut Co. and the Western Wire & Nail Co., by the newly formed Steel Co. of Canada. Since that time the latter company has enjoyed an unbroken period of prosperity and the soundness of the enterprise has been demonstrated so thoroughly that its securities have grown steadily in favor. The company manufactures a wide range of steel and iron products in its thirteen plants at Hamilton, Montreal, Ganonoque, Toronto, Brantford, Belleville, London and Lachine, Que. The company has also secured an interest in two ore properties and several hundred acres of coal lands.

The bonds are secured by a first mortgage on the company's properties under a deed of trust to the Royal Trust Co., and are callable as a whole, on six months, notice, at 110 and interest. They bear interest at 6 per cent., payable semi-annually on the first of January and July in Montreal, Toronto, Hamilton and New York and in London, Eng., at par of exchange.

The total amount authorized and issued is $10,000,000, of which $1,649,904 are held in the treasury. It is provided in the trust deed that bonds after $7,500,000 could be issued only to the extent of two-thirds of the appraised value of new assets and on the production of a certificate from the directors that the net earnings exceed three times the annual interest of the bonds, including the new issue.

A sinking fund of 2 per cent. of all bonds outstanding plus an amount equal to the annual interest of all bonds redeemed through the sinking fund, is maintained. This is one of the most advantageous clauses, from the standpoint of the bondholder, which can be placed in any trust deed, as it provides a ready market every year for a substantial amount of the bonds. Through its operation $1,651,145 of this issue has been redeemed to date. Under this provision over $6,000,000 of the bonds will be retired at maturity.

The total income of the company in 1918 was $5,367,120, after which it dropped successively in each year to $2,153,366 in 1921. In 1922 an improvement to $2,295,197 took place and last year this was further increased to $3,284,468. However, the earnings have not dropped below three times the requirements for bond interest at any time and the profits in 1923 were over seven times the bond interest of $441,963.

The company's assets now amount to $48,004,419 and reserves and surplus total $12,296,663 and $8,570,248 respectively. These figures indicate the wide margin of safety both as to assets and earning powers.

Market is Stable

The bonds were first offered to the public in July, 1910, at 101½ and interest to an amount of $485,000, and at the same time $4,200,000 of the issue was offered in London, at 102½. Since that time the prices have remained remarkably stable, even during the depressed conditions of 1921, when they touched low of 88½. Towards the close of that year they recovered to around 98 and since then have shown a tendency to rise steadily by small margins to the present levels.

The security of the bonds is further emphasized by the prices at which junior securities are selling. Behind this issue are $6,496,300 of 7 per cent. cumulative preferred stock and $11,500,000 of common. The former is quoted at 104 to 104½ and the latter at 77 to 78. Seven per cent. dividends are being paid on both issues.

WHO FINALLY GOT BIG COMMISSIONS ON ONTARIO DEALS?

Rumors of Enormous Profits Disturb Confidence of Investors

With the further revelations of commission payments on provincial deposits and bond flotations before the Public Accounts' Committee of the legislature, feeling grows in financial circles that the investigation should get at the facts. A shadow of doubt has been thrown around big money transactions in which the province is interested, which, in the opinion of one prominent bond man, can be remedied only by solving the uncertainties injected into the situation by the evidence of various parties.

It is clear from the evidence submitted that someone, who was supposed to be able to influence provincial business, was paid handsome commissions by the Home Bank. A $4,000,000 bond issue purchased by the bank in September, 1919, at 94.48 was sold, the books show, to the Dominion Securities Corporation in December at 96.85. On this issue and the sale of treasury notes in New York, the bank's profit was $103,542. At the same time thousands of dollars were withdrawn by the general manager of the bank, supposedly for secret commissions. Some of these were paid before Hon. T. W. McGarry, former provincial treasurer, had vacated the office, and one at least after Hon. Peter Smith, the new treasurer, had taken over the department. The denials of both ministers of any knowledge of such payments has not served to show the public where the money went.

The evidence of R. R. Rogers and A. V. Young, formerly connected with Aemilius Jarvis & Co., was that commissions were paid Andrew Pepall for influencing business from the province. In one case, a cheque was issued for $7,500, which was stated to be for this purpose. Young also testified to having cashed a cheque for $12,500 in the spring of 1920, receiving as payment bills of large denomination. The final disposition of this money has not been determined.

A copy of a circular sent out by Lloyds, of London, Eng., on behalf of the Jarvis firm was filed before the committee. The circular offered a price of 75 for 3½ per cent. inscribed stock, 82 for 4 per cent. stock, and 84½ for 4½ per cent. stock. The

(Continued on page 13)

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	95¾	96¾
Alabama 5% 1962	69	70½
Algoma Steel 5% 1962	37	—
Ames Holden 6% 1947	42½	—
Belding 5% 1936	86	—
Belgo Can. Paper 6% 1943	96	—
Brompton 8% 1941	108	110
Burns, P. & Co. 6½% 1943	98½	100
Can. National Rly. 5% 1954	98	98¾
Calgary Brewing 5% 1942	76	79
Can. Steamship Lines 7% 1942	96¼	96¾
Can. Light & Power 5% 1949	75½	76¾
Consumers Glass 6% 1935	85½	88
Can. Nor. Rly. Income 5% 1930	—	51¾
Can. Steel Foundries 6% 1936	98	—
Dom. Iron 5% 1939	—	70¼
Davies, Wm. 6% 1942	—	84¾
Dom. Power 5% 1932	91	—
Dom. Textile 6% 1949	102¾	—
East Koot. Power 7% 1942	97¾	—
Fraser Co. 8% 1941	105¾	105½
Frontenac Brewery 6% 1951	87	88
G.T.P. 4% 1955	72½	—
G.T.P. Sup. 4% 1955	73	..
Holt, Renfrew 5½% 1937	—	96
H. Smith Paper 7% 1941	—	97½
Lake Sup. Paper 6% 1941	104½	—
Laurentide Pow. 5% 1946	95¾	97¼
Laurentian Pow. 6% 1936	95½	98
Maple Leaf Milling 6½% 1943	99¾	101
Maisonneuve 5% 1954	96½	—
Man. Power 7% 1941	99½	100½
Mattagami 6% 1937	60	—
Mattagami Deb. 7% 1949	—	24
Montreal Pub. Ser. 5% 1942	—	80¾
Montreal Pub. Ser. 6½% 1924	99	100¾
Montreal Steel Works 6% 1940	99	..
Province of Ontario 5% 1948	98	98¾
Nor. Ont. Power 6% 1931	91¾	92½
N.S. Steel 6% Deb.	—	74
Ottawa Gas 6% 1939	100	..
Ottawa Gas 5% 1934	—	99
Ontario Pulp 6% 1931	105	—
Price Bros. 6% 1943	99	99½
Paton Mfg. Co. 6% 1953	94½	95¾
Provincial Paper 6% 1940	—	100
Porto Rico Rly. 5% 1962	—	64½
Quebec Power 6% 1953	—	95¾
Quebec Jacques 5% 1931	82¾	90
Shaw. Cotton 6% 1949	—	80½
Shawinigan 5% 1934	102	..
Shawinigan 5½% 1950	102	—
Shawinigan 6% 1950	103½	—
South Canada Power 6% 1948	100½	101
Spanish River 8% 1941	—	106½
St. Maurice Power 6½% 1953	105¾	106½
Toronto Power 5% 1924	99¾	100½
Wabasso Cotton 7% 1942	96½	—
Windsor Hotel 6½% 1943	100½	—
West. Koot. Power 6% 1943	99¾	—
West. Power 5% 1949	87	—
West. Power 7% 1926	98	—
West. Quebec Pow. 6½% 1931	70	—
Winn. Elec. 6% 1943	—	92¾
Chicoutimi Pulp 6% 1943	64	66
Montreal L. H. & Pow. 5% 1933	96¾	—

TORONTO CURB QUOTATIONS

	Bid	Asked
Abitibi Gen. Mortgage 6% 1940	95½	97
Amer. Sales Book 6% 1927	98	—
Ashdown Hardware 5% 1928	94	—
P. Burns Co. 6½% 1943	98	100
Can. Machinery 6% 1940	—	75
Pedlar People 8% 1934	100	105
Whalen Pulp 6% Ser.	50	60
Whalen Pulp 7% Deb.	15	16
Harris Abattoir 6% 1926	99	101

BOND MOVEMENTS OF THE WEEK

Week Ending April 8.

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Latest Ask	Price Bid	High	Low
Asbestos	5	1942	7.52	90	79	83½	75	75	—	75	—
Calgary Power	5	1940	7.57	76	72	76	75½	—	75½	76	75½
Bell Telephone	5	1925	5.35	101	97¾	100½	99¼	99¾	99½	99½	—
Can. Cement	6	1929	5.66	103½	100	103½	100	—	100	101⅝	101½
Can. Converters	6	1926	6.68	99½	99½	99½	98	—	99½	98	—
Cedar Rapids	5	1953	5.16	98½	93	99	95	99	98¼	97½	—
Dominion Coal	5	1940	5.48	96	94	96¾	94¾	95	94¾	94¾	—
Dom. Iron	5	1929	7.59	94	84¾	89	85	—	88	88½	—
Dom. Textile (C)	6	1925	6.00	100½	100	101⅛	100	—	100	100	—
Montreal Trams.	5	1941	6.77	92⅝	87½	92	91⅛	—	90⅝	91¼	—
Ogilvie	6	1932	5.70	102½	101	104	102	102	—	102	—
Penman's	5	1926	6.31	97	93¾	97	95	—	97½	97	—
Quebec Rly.	5	1939	6.67	83½	68	84	80	84¼	83¾	84	83¼
Rio Janeiro	5	1935	6.81	87¼	81	87	82	—	85½	85¾	—
Wabasso	6	1947	6.67	96	85	96¾	90¾	95	92	92	—
Wayagamack	6	1951	7.87	86¾	75	80¾	78½	79	—	79	—
War Loan	5	1925	4.47	100.95	99.10	101.15	100.15	101.00	100.90	101.15	100.75
Do.	5	1931	4.83	101.80	99.80	101.90	100.15	101.20	101.05	101.30	101.00
Do.	5	1937	4.72	103.30	102.00	103.30	102.50	102.60	102.50	102.85	102.50
Victory Loan	5½	1924	4.60	101.65	99.80	100.90	100.05	100.60	100.50	100.50	100.25
Do.	5½	1927	4.64	103.50	101.60	103.15	102.15	102.80	102.70	102.85	102.65
Do.,	5½	1933	4.88	106.70	104.15	106.65	104.70	104.95	104.80	105.00	104.70
Do.,	5½	1934	5.18	103.90	101.30	103.30	102.20	102.70	102.60	102.80	102.50
Do.,	5½	1937	4.81	108.45	106.25	108.17	106.65	106.90	106.75	107.00	106.65
Do., Renewal	5½	1927	5.40	102.80	100.75	101.80	101.00	101.90	101.75	101.70	101.30
Do., Renewal	5½	1932	5.18	103.15	100.80	102.75	101.35	102.50	102.40	102.40	102.20
Do., Refund	5	1928	4.93	99.70	98.80	100.50	99.40	100.20	100.10	100.20	—
Do., Refund	5	1943	5.00	99.25	97.90	100.30	99.00	100.05	99.95	100.15	99.75

Water Power Branch Report Now Published

Dominion Water Power Branch of the Federal Department of the Interior has recently issued its annual report which briefly describes the main lines of activity pursued by that organization in investigating the water resources of Canada and administering the Dominion water-powers. The method of co-operation with provincial authorities in the making of a dominion-wide survey of water and water-power resources, and the scope of this work during the year under review are outlined; tables showing the available and developed water-power in Canada, and the quantity of water-power used in the central station and pulp and paper industries as at February 1, 1923, are given; also a list of hydro-electric activities in 1922 and a summary of the central electric station industry; together with brief descriptions of these tables and other information of interest. Copies of this report will be supplied free.

SAGUENAY PULP

At the meeting of the bondholders of the Saguenay Pulp to be held in Montreal on April 14, the Crown Trust is expected to be chosen to operate the Chicoutimi Pulp and subsidiaries in liquidation.

This is expected to be preliminary to the sale by auction of the assets of the company and its obligations. J. E. A. Dubuc, who was in Quebec over the week-end, hopes to regain control, but this is not expected in financial circles there. A combination of the Price Bros. and the Rothermere interests is still thought to be the parties who will take over the Chicoutimi Pulp and its subsidiaries.

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Limited

Montreal Quebec Ottawa Toronto

ALTHOUGH the amount you have for investment may be only a few hundred dollars, we will be glad to be of assistance to you if you will write us or call at our office.

We invite your confidence

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MANUFACTURERS FINANCE CORPORATION LIMITED
TORONTO, Federal Building

AUTHORIZED CAPITAL - - - $6,500,000

City of Regina, Saskatchewan

5½% Debentures

$146,390.00

Sealed Tenders endorsed "Tenders for Debentures" addressed to the City Commissioners, will be received up to eleven o'clock A.M., Tuesday, April Fifteenth, 1924, for the purchase of the following Sinking Fund Debentures:

LOCAL IMPROVEMENTS

Plank Walks	$30,800	5 years,	Dated May 1, 1924
Concrete Walks	5,500	15 "	" " "
Domestic Sewers	16,200	30 "	" " "
Water Mains	25,190	30 "	" " "
	$77,690		

REFERRED BY-LAWS

Street Railway	$14,700	15 years,	Dated May 1, 1924
Water House Connections	14,500	20 "	" " "
Storm Sewer	26,000	30 "	" " "
Sewer House Connections	13,500	30 "	" " "
	$68,700		

The issues under the heading Referred By-Laws are offered subject to the approval of the Burgesses. These By-Laws will be voted on on the 10th of April next.

Alternative bids are requested—

(1st) On the basis of both Principal and Interest payable in New York, Montreal, Toronto or Regina, at holder's option.

(2nd) On the basis of both Principal and Interest payable in Montreal, Toronto or Regina, in Canadian Currency only.

Tenders for the above issue may be for the whole or any part of same.

The Bonds are a direct obligation of the City at large, and are issued in Coupon form with Interest payable semi-annually and Principal at date of maturity.

Provision is made for registration of Principal only.

The right is reserved to reject any or all proposals.

Further information will be furnished upon application to the undersigned.

JOHN E. SNOWBALL, City Treasurer.

Abitibi Power and Paper Company Limited

NOTICE IS HEREBY GIVEN that a Dividend of $1.00 per share has been declared on the Common Stock of the Abitibi Power & Paper Company, Limited, payable the 21st day of April, 1924, to shareholders of record at the close of business April 10th, 1924.

By Order of the Board.

L. R. WILSON,
Secretary.

DOMINION TEXTILE COMPANY Limited

NOTICE OF DIVIDEND

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st March, 1924, payable 15th April to shareholders of record March 31st.

By order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, Feby. 8th, 1924.

SEALED TENDERS, addressed to the undersigned, will be received up to noon on Saturday, the Nineteenth instant, for the purpose of "Chateau Restigouche, Limited," $75,000.00 15 years first mortgage bond, 7% with semi-annual interest coupons attached, payable to bearer at the Provincial Bank of Canada, Campbellton, N.B.

The denominations of bonds: $10,000.00 of $100.00 and $65,000.00 of $500.00. Highest tender not necessarily accepted.

The Trustees for the above bonds are the Central Trust Company of Canada, Moncton, N.B.

The "Chateau Restigouche" is a three story solid brick hotel, situated 150 feet from the C. N. R. Depot, Campbellton, being the best location in Northern New Brunswick for an up-to-date hotel and where additional hotel accommodation is most urgently needed. It contains 72 large bedrooms, all equipped with hot and cold running water, 31 with baths.

Large dining room, everything up-to-date, bound to realize handsome profits. The value of the hotel and land is $175,000.00, certainly offering gilt edge security.

A. C. BELLE-ISLE,
Assistant Sec.-Treas.,
Chateau Restigouche, Ltd.

WHO FINALLY GOT BIG COMMISSIONS ON ONTARIO DEALS?

(Continued from page 12)

province paid the firm 80, 90, and 90 respectively for large blocks of the stock. No evidence was produced to show that the Jarvis firm secured the stock at the prices offered in the circular, but, if this were true, large profits would be realized on the transactions.

It is pointed out by bond men that the payment of commissions for obtaining business is a matter for the particular firm to determine, provided the recipients are in no way connected with or employed by the government body concerned. However, if commissions were paid to those in official places, it is felt that the public should know. Centred in the large cities are financial firms which provide funds for governing bodies and investments for people in all parts of the country. The foundation of this business is confidence. To endanger this by leaving the public with suspicions that the system is not right would, they point out, be detrimental to the best interests of the government and the people at large.

Corporation of Town of Mimico

Debentures For Sale

SEALED tenders addressed to the undersigned and clearly marked as to contents will be received up to 5 p.m., Monday, April 14th, 1924, for the purchase of the following debentures:

$46,000 5½% 20-year instalment Mimico Hydro Electric System debentures dated February 1st, 1924.

$100,000 5½% 30-year instalment High School debentures guaranteed by the County of York, dated March 15th, 1924.

Highest or any tender not necessarily accepted.

HARRY B. FOREMAN, Town Clerk.
Dated at Mimico, April 3rd, 1924.

USE TIGER LEAK PROOF WOVEN CORD TIRES

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Tiger Tire & Rubber Co. Ltd.
42-44 Adelaide St. W., Toronto.

CIVIC AND PROVINCIAL FINANCE

MONTREAL BOARD OF TRADE STAND ON DEBT PRAISED

Business Men Approve Their Demand For Reduction in Burden

From Our Own Correspondent.

MONTREAL.—The Board of Trade of this city gave a new slant to the discussion of the national debt in a circular it got out this week. The board of trade estimated the Dominion government's debt at $3,513,000,000. This is a higher figure than anyone else has presented, and is derived by adding the Dominion's guarantees to its gross debt. This is, of course, fair enough, for the Dominion government is now the owner and operator of the Canadian National Railways, for which the bonds have been guaranteed, and the bonds of the C. N. R., and its constituent lines are therefore to all intents and purposes obligations of the Dominion government. In the past few years with the C. N. R. failing to earn the interest on these bonds, the burden on the taxpayer has been exactly the same as if the bonds had been issued by the government.

The board of trade went further and figured out the amount of this debt borne by each citizen of the Dominion. It amounted to $387. Adding to this figure the per capita portions of the debts of the city of Montreal, and the province of Quebec, it was found that every citizen of this city is bearing the burden of a governmental debt of $612, or more than $3,000 for the average family of five. This represented a tremendous growth from the figure of $241 per head of ten years ago, and even a substantial growth from the figure of $501 per head five years ago.

M. P.'s Taking Notice

The injection by the board of trade of these compilations into present discussions of governmental spending has aroused new demands for definite curtailment of extravagance, not only on the part of the Dominion government, but of local governments. Dispatches from Ottawa state that members of parliament have been attracted by the board's stand.

The action of the Montreal Board of Trade in getting publicly into the discussion has met with only favorable comment, and it seems to have clearly demonstrated the advisability of independent bodies of business men making their opinions felt on national issues.

How to Force Saving

There is a feeling among many business men that not a great deal is going to be gained by slicing a few dollars here and there from the estimates. It is felt that a large part of the apparent savings will be spent in other places. Probably there are many who support the viewpoint of one business man, that the way to reduce taxation is to reduce taxes; take 25 per cent. from the present income tax rate; reduce the sales tax, or effect some other giant slash in one of the burdensome taxes. It would then be up to government departments to reduce their expenditures to meet the revenue allotted them. There is a freshness to this viewpoint that appeals. It is analagous to the case of a man who cannot save money out of his present income, but who could get along nicely if his salary were cut 25 per cent., proving that saving money is often a matter of necessity

The Montreal Board of Trade's circular has labor's endorsation and industry's endorsation in the shape of approval from the Montreal Trades and Labor Council and the C. M. A. Quoting from it:

"Part of every dollar you spend goes to pay interest on the public debt, and the bigger the debt grows the more of your money it will take away from you.

"These large debts are the result of years of public spending beyond our means and borrowing the money to do it. We could not help that during the war, but the war ended more than five years ago and we are still doing it.

"The governments and the municipal councils do the borrowing and the spending, and often get poor value for the money, but the people do the paying back, and you will have to do your share.

"Sooner or later this reckless borrowing and spending must end, and the sooner the better, but only the electors can stop it.

"If you want your public affairs managed as sensible men manage their private affairs, getting good value for what they spend and doing without things they cannot afford; if you want the cost of living to come down, so that you will have for yourself more of what you earn; the remedy is in your hands. At elections—Dominion, provincial or municipal—see to it that the men you vote for understand what you want, and make sure that they will support the policy of reducing the public debt."

Dominion of Canada Debt and Guarantees

		Amount	Amount Per Head Being Your Share
Year	1913	$ 741,000,000	$ 98
"	1918	2,262,000,000	272
"	1923	3,513,000,000	387
Province of Quebec Debt			
Year	1913	$ 23,000,000	$ 11
"	1918	38,000,000	17
"	1923	53,000,000	21
City of Montreal City and School Debts			
Year	1913	$ 68,000,000	$132
"	1918	136,000,000	212
"	1923	148,000,000	204
Sum Total of the Above Items			
Year	1913	$ 832,000,000	$241
"	1918	2,436,000,000	501
"	1923	3,714,000,000	612

Municipal Notes

TORONTO TO ISSUE BONDS

The private bills committee of the Ontario Legislature empowered the city of Toronto this week to issue $1,048,000 of general consolidated loan debentures without submitting it to a vote of the electors qualified to vote on money by-laws. The bulk of the money, $1,000,000, will be used for a sewage disposal plant and site in North Toronto.

VANCOUVER EXTENDS

Discussion of the bylaws to be submitted by the city of Vancouver in May for civic improvements is now being carried on. It is expected that at least $2,000,000 will be asked for and other works involving nearly $10,000,000 are being considered. With the prospects of great expansion the necessity of forming a metropolitan district looms up and the establishing of a water commission is also mooted.

AMEND CITY CHARTER

The Alberta Legislature has approved an amendment to the charter of the city of Edmonton, by which the city is empowered to levy four new taxes—rental, poll, service and motor vehicle taxes. It was stated that only two of the taxes will be adopted at present. The rent tax provides that it may be 10 per cent, of the annual rental, but it is understood that only 5 per cent. will be levied.

APPEAL HUMBOLDT DECISION

The Canadian Order of Chosen Friends, on behalf of the town of Humboldt, Sask., have been granted leave to take its application to quash the order of the Saskatchewan Local Government Board to the Supreme Court of Canada. The order granting the town certain concessions of interest payments is regarded by bondholders as permitting a breach of the covenant and they are attempting to have it annulled.

KINGSTON FINANCES

With a total debt of $2,414,622 the city of Kingston now has sinking funds of $616,626, of which $575,119 is invested in government and municipal bonds and $41,508 is on deposit in the bank. A total of $88,007 will be levied for sinking funds this year, $35,851 paid by those specially benefited and $52,156 by the city generally. Small increases of $7,000 for the Board of Education, $500 for mothers' allowances, $2,500 for debentures and interest and $500 for small items are made in the estimates of uncontrollable expenditure for this year. The Finance Committee recommended a tax rate for the year of 35 mills and 1 mill for garbage disposal on those liable.

GODERICH REPORTS

The total liabilities of the town of Goderich at Dec. 31, 1923, were $281,962, according to the report for the year. Of this, $195,448 was on account of debentures. The general sinking fund was $31,464, sinking funds on guaranteed bonds $22,193, bonus loans $14,685, and payments due on these $22,671, tax arrears $34,226, unsettled claims $5,043, and Charles Blake and cemetery fund credits in bank and Dominion of Canada bonds, $2,150. The receipts for 1923 were $279,962 and expenditures $279,039.

OSHAWA GROWS RAPIDLY

Details of the finances of Ontario's newest city, Oshawa, which has grown rapidly in recent years, necessitating expenditures for improvements, are given in the report of P. A. Blackburn, city treasurer. The outstanding debt at Dec. 31, 1923, was $2,142,765, and since that time $200,000 of housing bonds, sold in December, have been added. Of this total, local improvements account for $926,544, waterworks for $539,061, schools for $454,607, housing for $200,000, and trunk sewers, bridges and general, $222,522. Issues totalling $534,500 are now being offered. A further issue of $250,000 for the High School will be marketed, possibly in September. After allowing for retirements the debt will be more than twice the 1921 figures at the close of the year. A movement for a cessation of capital expenditure is being urged by the City Treasurer.

The budget for the current year provides for a net expenditure of $377,957, requiring a tax rate of 43 mills, the same as last year. An increase in school expenditure of $40,000 calls for an increase of 2 1/5 mills in the school rate and economies have reduced that for general purposes a like amount.

Tenders and By-Laws

TENDERS WANTED

Apr. 25, Village of Athens.—$40,000, 6%, 30-ins. debentures. M. B. Holmes, Reeve, Athens.

Apr. 16, Joliette.—$77,100, 5½%, 10 and 25-yr. bonds. A. L. Marsolais, Sec.-Treas.

Apr. 17, Greenfield Park.—$20,000, 5½% bonds. E. J. Allwright, Sec.-Treas.

Apr. 15, Regina.—$146,390, 5½ per cent., 5 to 30-yr. debentures. J. E. Snowball, City Treasurer. (See announcement on page 13.)

Apr. 22, Chicoutimi.—$65,000, 5½%, 10 or 30-yr. debentures. J. Ern. Blackburn, Sec.-Treas.

Apr. 19, Chateau Restigouche.—$75,000, 7%, 15-yr. mortgage bonds. A. C. Belle-Isle, Asst. Sec.-Treas., Chateau Restigouche, Ltd. (See announcement on page 13.)

Apr. 16, Three Rivers.—$200,000, 5½%, 20-yr. bonds. Arthur Nobert, City Treasurer.

Apr. 14, Mimico.—$146,000, 5½%, 20 and 30-yr. debentures. Harry B. Foreman, Town Clerk. (See announcement on page 13.)

SAY CANADIAN BONDS SOUGHT AFTER IN U.S.

American Financial Men Visit Toronto, Hear of Splendid Investment Possibilities

Interested in Canadian investment possibilities, representatives of a number of leading American banking and investment security institutions visited Toronto and Montreal over the week-end. Advantage was taken of the occasion to present to the visitors detailed information regarding the country's minerals, pulpwood, power, agricultural and other resources as evidence not only of the country's assets to back up public loans, but as well of an industrial development of the near future which will warrant the placing of large sums of capital in various enterprises. The development of these resources will be a benefit throughout many branches of industry and trade both in older Canada and the United States.

The bankers told of a desire to get Canadian securities for American investors. They pointed out that Canadian bonds are becoming more and more difficult to secure in the United States. The party included:

W. M. Dederick, of Abraham & Co.; H. Vorhees Borden, Alfred Sampter, of Borden & Sampter; J. S. Bradstreet, A. C. Hall, A. C. Vivian, of Floyd-Jones, Vivian & Co.; Frank E. Gernon, of Hayden, Stone & Co.; Dudley F. King, of Love, Macomber & Co.; G. E. McHale, William K. Nourse, of McHale & Co.; W. H. Smith, of Merrill, Lynch & Co.; J. L. Dibble, of H. M. Whitney & Co.; Robert L. Pond, D. Harry Lake, George L. Fischer, Mark Hayes, J. B. Burns, A. C. Goudie, S. P. Hebard, R. S. de Mitkiewicz, Frank Voyt, of Bauer, Pond & Co.; Horatio T. Parker, of Parker, Robinson & Co., and Robert E. Rew, of Robert E. Rew & Co., all of New York City.

Manitoba Meets Deficit on Power Commission

A move was made in March by Hon. F. M. Black, provincial treasurer of Manitoba to provide from the public treasury for the successive losses realized on the operations of the Manitoba Power Commission. Following an independent appraisal, the treasurer introduced a bill to reduce the capital investment on the system by $555,600 through a plan of amortization over a period of 17 years. The sinking fund thus set up will be maintained by payments from the consolidated revenues.

The operating deficit totals $358,000, including book depreciation of $126,000. There are $200,000 of bonds falling due in seven years and $400,000 in 17 years.

Expect Increase in N. B. Revenues of $340,000

The estimated revenue for New Brunswick for the year ending Oct. 31, 1924, is $3,524,761, which exceeds the actual revenue for last year by $340,401. The expenditure is estimated at $3,469,279 without making provision for a prospective deficit of $260,000 on the St. John & Quebec Railway.

ENDERBY REPORT

The liabilities of Enderby, B.C., total $119,768, of which $116,000 is on account of outstanding bonds. Against this is a sinking fund of $27,686. The revenue for 1923 was $18,223, and the expenditure $15,978.

NEW BROKERAGE HOUSE

W. T. Chambers and D. M. Gilpin have opened a brokerage office under the name of D. M. Gilpin Company, at 297 Bay Street, Toronto. Mr. Chambers is one of the oldest members of the Standard Stock Exchange. Mr. Gilpin has spent many years in the northern mining camps.

CONVERT BRITISH LOAN

The British Government has arranged a conversion up to £200,000,000 of the British War Loan 5 per cent. bonds due 1929-1947, at 103 and interest, for a new stock bearing interest at 4½ per cent. and maturing in 1944, callable after 1940.

It has not been decided whether the new bonds will be free from income tax to holders in Canada and other parts of the Empire outside the United Kingdom.

BRANDON RAILWAY LOSS

WINNIPEG.—There appears to be a chance that the Brandon electric railway, which is municipally owned, will be abandoned in the near future. At one time this railway was reported to be losing $30,000 a year. In the first three months of 1924, the gross receipts were less and the net loss greater than in the first three months of 1923. Manager Fawkes states that, unless there was an improvement in the next six months, he would recommend a change. What this may be is not indicated, but it is suggested that it may mean a tearing up of the tracks and an abandonment of the project.

TAX RATES FOR 1924

Oshawa	43	mills
Preston	41	"
North Bay	45	"
Port Arthur	39½	"
Galt	41	"
Barrie	43	"
Smiths Falls	40	"
Whitby	38	"

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
Apr. 5	Toronto Township	A. E. Ames & Co., Toronto	5%	30-ins.	$23,000	96.72	..
Apr. —	Stamford Township	W. C. Brent & Co., Toronto	5½%	10-ins.	5,000	100.32	5.44
Apr. 1	Drummondville	L. G. Beaubien Co., Montreal	5½%	10-yr.	35,000	99.11	5.62
Apr. —	Bagotville	Provincial Securities Co.	5½%	30-ins.	80,000	99.50	5.55
Apr. 7	Hull	Bain, Snowball & Co., and Municipal Bankers' Corp., Toronto	5½%	23-yr.	292,000	100.65	..
Apr. 8	County of Peel	Dominion Securities Corp., Toronto	5%	20-ins.	167,500	97.6541	5.30
Apr. 1	Fort Frances	H. A. Tubby & Co., Winnipeg	6%	serial	58,229	..	..
Apr. 8	Warkworth		..	..	11,000	105.00	..
		Corporation					
Apr. —	Gregory Tire & Rubber	British Amer. Bond Corp., Victoria	6½%	5-yr.	150,000	98	..

How Much Can Money Safely Earn

Many are satisfied with 3%. Others seek excessive yields and thereby endanger both interest and principal.

Your money can earn 6 or 7% at present, with ample security. Write for our selected list of Bonds and Preferred Stocks. They have all been submitted to a thorough scrutiny.

Over 22 years Investment experience.

RENE-T. LECLERC
Incorporated
Montreal—160, St. James St.
Quebec—74, St. Peter St.
(ESTABLISHED 1901)
E136

THIS BOND *Yields*.... 8%

The issue is a First Mortgage on property and real estate valued at $1,790,000. This is equal to over seven times the amount of the issue. Earnings are at the rate of four times total interest charges. The security, therefore, is ample. In addition, the Principal, the Interest and the annual Sinking Fund are guaranteed. Payable in New York and Montreal.

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To make it as easy as possible for those "bearing the burden in the heat of the day" to carry life insurance adequate to their needs—that is the motive of the Mutual of Canada. The company issues annual dividend policies so that the refunds are available year by year to reduce the premiums, or the dividends may be accumulated at interest until, being added to the reserve, the policy becomes paid up or matures. As the company is operated on the mutual principle, the dividends are as liberal as possible, every dollar of surplus being used to lighten the burden of protection. In other words, we aim "to provide the largest amount of genuine life insurance for the smallest possible outlay." This year our dividends have been again increased, and the cost of insurance correspondingly reduced. Our method is economical, equitable and democratic, securing "maximum benefits at a minimum cost."

Assets $59,727,388—31/12/23—Assurances $269,982,566.

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G. E. BAILEY, Secretary — W. H. HUNTER, President — G. R. COTTRELLE, Treasurer

A Cheering Prospect

No genius of prophecy in Canada can give such solid reason for his faith in the future and belief in renewed prosperity as the Great-West Life Assurance Company has given in publishing its report for the year 1923. As a "Key to Success" it beats any book published.

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Head Office: Winnipeg

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$173,298 or 15% of Invested Assets are in First-Class Mortgages.

Government Deposits for Protection of Policyholders, $254,000.

TABLE OF COMPARATIVE STANDING

Year	Assets	Reserves to protect Policies	Insurance In Force
1920	$ 174,985	$ 20,278	$ 1,053,300
1921	268,048	64,103	7,007,186
1922	452,170	194,526	13,207,339
1923	1,431,605	1,049,703	24,840,903

THE ONTARIO EQUITABLE LIFE & ACCIDENT INSURANCE COMPANY
S. C. TWEED, President.
HEAD OFFICE - WATERLOO, ONTARIO

INSURANCE FOR BUYER AND SELLER

MAKE ANALYSIS OF WILL TO CONSERVE ASSETS OF ESTATE

Study of Affairs Increases Value of Insurance Service

The following words contained in a letter from the president of a large Canadian company to the Robinson Brothers, special agents of the Canada Life Assurance Company, demonstrates the help which any business man may secure from a well trained insurance man. The letter reads:

The information you gave me on succession duties, and your advice and suggestions for the necesary changes in my will and the efficient administration of my whole estate are along entirely new lines, and their adoption, especially in connection with my will, will prove of much value to me.

I have never received such valuable information and advice on these subjects from anyone else, and as far as I know your service is unique. It is, in my judgment, of far-reaching importance to anyone who has an estate to leave.

The work which preceded this letter is of a character unique in insurance circles. J. Beverley and Duncan S. Robinson, whose lectures on business life insurance at Underwriters' convention last year created wide comments, won the Canada Life competition for highest production last fall. They have made a study of wills and succession duties as they affect different estates, and are able to give reliable information on points relating to these.

Analyze Man's Affairs

The special service which they seek to give, and for which no fee is charged, is a personal balance sheet. Experience has shown that few men of means know, except in a rough way, what the demands on their estate are likely to be at death. This is revealed only by an analysis of the whole range of a man's affairs, including his will, etc. Failure to secure this has frequently resulted in the early dissipation of the assets of an estate. One instance which has been cited is the case of a wealthy man who left the bulk of his estate to a nephew. Within a few months of his death the nephew died also. As a result, heavy succession duties were levied twice on the same funds within a few months.

The object of the service offered is not to change the intentions and wishes of the principal, but only to make suggestions for the conservation of assets. The suggestions made have proven of value to prominent men, as is attested to by their letters of appreciation. A Supreme Court Justice writes:

I write to express to you my appreciation of the suggestions you have made to me regarding my will. It had been maturely considered and carefully drawn, but your suggestions afford clear and definite improvements.

I also find the information you have given me regarding the operation of the succession duty act, your analysis of how my estate would work out and the summary of what ready cash will be required at my death, to be not only convincing but most valuable as a basis for re-arranging my affairs.

May Buy Insurance

In some cases the analysis has revealed no need for additional insurance. In others, the need for additional cash at death is indicated, and the client is left free to purchase life insurance or not. On account of the ease with which life policies may be fitted into a financial program, it is frequently selected. This plan of giving full information may or may not disclose the needs of life insurance, and in any case it obviates the necessity of so-called "high pressure" selling. To overcome this is considered a triumph for the life insurance field. In the words of one prominent underwriter: "Life insurance is such a logical thing that it is a shame if men are turned away from it through a feeling, given birth under selling pressure, that life insurance men are actuated only by desire for personal gain."

Further advice is given by the Robinsons after a policy is sold and delivered. After indicating his appreciation of this, a Toronto business man, who purchased a $100,000 policy, writes in condemnation of some salesmen:

"When a prospect was sold and the policy delivered and paid for, the salesman's interest seemed to wane and the policyholder was left alone with his policy, a highly technical thing about which, as a rule, he knew nothing."

This service is an outstanding example of what the best insurance are doing to show the public the many uses of life insurance policies. Its growth is one of the objects of the Underwriters' Association, and other educational campaigns. It strikes at the root of the lapse evil by aiding sound selling methods, and personal connection with the policyholders in future years.

SUPERINTENDENT OF NATIONAL

It is announced that S. C. McEvenue, former inspector for Western Ontario for the Great West Life, has been appointed superintendent of agencies of the National Life Assurance Company with headquarters at the head office of the company in Toronto.

After graduating from McGill University as a civil engineer in 1913, Mr. McEvenue entered the life insurance field as a salesman. His successful work brought rapid promotion and in 1922 he went to London, Ont., as inspector for the Great West Life. His territory led in production last year in the Eastern division of that company. Mr. McEvenue took an active part in athletics and saw service as an aviator during the war. He will work in conjunction with R. M. Huestis, who has been manager of agencies for the National Life for some years.

Dead Hero Was Forced To Let Policy Lapse

A particularly sad case, which reveals the danger of allowing a policy to lapse, is that of the late Herbert Freeland, of Toronto, who lost his life in successfully attempting to prevent a runaway horse from trampling a woman and her children to death. He was a member of the Canadian Order of Foresters, and had insurance of $1,000 in that order, but allowed it to lapse owing to financial conditions.

He left a widow and one son. In recognition of his sacrifice a public fund is being raised to provide an annuity to the bereaved widow.

PERIOD OF BIG FIRE LOSSES IS NOT ENDED

Wawanesa President Says Present Depression Lasting Longer Than Three Former Ones

Commenting on the effects of the business depression on the fire insurance companies, S. H. Henderson, president of the Wawanesa Mutual Insurance Company, said at the company's annual meeting:

"In the twenty-eight years since we have been organized we have passed through four periods of financial depression. Our records show that the first three of these periods lasted two years each, and each period showed us a loss. The last and worst one, and the one from which we are still suffering, has been aggravated and prolonged by post-war conditions, and has already lasted three years with no very definite sign of its abatement, although we hope we have passed the peak."

The 28th annual report submitted at the meeting of the company this year again indicates the careful management of the company. Assets stand at $1,820,874 and surplus to policyholders $1,644,819. The bonds held by the company total $339,762. The receipts on current account in 1923 were $529,874 and losses amounted to $413,003. During the year the company wrote $42,327,952 of insurance, an increase of almost $3,000,000 over 1922.

The present situation was faced courageously by increasing the customary charge for insurance from 35 cents per $100 of insurance to 50 cents. This is the first time in the history of the company that this action has been found advisable and indicates the strain which the abnormal fire losses are placing on the fire insurance companies.

Court Holds Policy Void If Facts Misrepresented

A warning to automobile owners in applying for insurance is contained in the unanimous judgment of the Quebec Court of Appeals that a false representation in the application is sufficient to void the contract. The British Canadian Insurance Company issued an automobile policy to Omer Tetrault, after he had represented that no other insurance company had refused to insure the car.

The court held that a contract of insurance is made in good faith and if the declarations were contrary to fact the appellant should have repudiated them on receiving the policy. His failure to do this was held to void the policy and his claim was dismissed.

Endowment Policies Are Chosen by Most Women

Women as buyers of life insurance have come to the fore in recent years, and each month many business women, nurses, teachers, etc., apply for insurance. An investigation made recently brought forth the following report:

"During the representative period chosen for the purpose a total of 506 applications on the lives of women were received. Of this number 92.35 per cent. were approved, while 7.65 per cent. were rejected.

"Of the total number making applications, 34 per cent. were teachers, 34 per cent. business women, 13 per cent. nurses, 9 per cent. housewives, and the remaining 10 per cent. were engaged in miscellaneous occupations.

"Seventy-two per cent. of the applicants were single, 6 per cent. widows, 4 per cent. divorcees, and 18 per cent. married.

"One of the most interesting features is that 87.94 per cent. of the applications were for insurance on endowment or 'Income for Life' plans while the small percentage of 12.06 per cent. were for ordinary life or limited payment plans. And further analysis has shown that the twenty year endowment and the 'Income for Life' at 60 are the two most favored plans."

The purchase of life insurance by women, who are not, as a rule, closely in touch with good investments, is something to be encouraged from a purely investment standpoint, aside from other considerations.

DEATH OF SECRETARY OF CROWN

In the death of A. H. Selwyn Marks, the Crown Life Insurance Company has lost a trusted and highly valued official. Mr. Marks, who was secretary of the company, has been in its service for many years.

INSURANCE LICENSES

The following insurance licenses have been issued by the Department of Insurance, Ottawa:

The Order of United Commercial Travelers of America to transact accident insurance up to the extent of its constitution and bylaws; the Women's Catholic Order of Foresters to issue life insurance as a fraternal society; J. C. H. Dusalt, Montreal, being appointed chief agent; the Royal Guardians to transact life, accident and sickness insurance as a mutual insurance company; the Northern Assurance Company and the Royal Scottish Insurance Company to issue sprinkler leakage insurance.

SHOULD OWNER BE FORCED TO CARRY AUTO INSURANCE?

Plan Now Applied to Taxicabs and Livery Cars

Should owners of automobiles be compelled to carry public liability and property damage insurance? This is a question which has been the subject of considerable comment since the automobile came into such wide use. The foundation of the idea lies in a principle recognized by law that the owner of a building, machine or other property is liable for injuries to the public or damages to the property of others resulting from negligence in carrying on operations.

Claims Are Large

With the widespread use of motor cars a large number of accidents are practically unavoidable and in many cases negligence or mistaken judgment on the part of a driver are responsible. As a result claims against automobile owners have become frequent and the tendency has been for the amount of claims to increase to what were formerly considered exorbitant levels. In the United States claims of $100,000 are reported and $5,000 or $10,000 are common. In Canada they have not, as a rule, been so large but a number of recent court actions involve large sums. In the Ontario Supreme Court an action has been started by Mrs. Janie Louise Hanger, against C. E. Living and C. W. Living, owner and driver respectively of an automobile which struck her husband, C. G. Hanger, in December. Mr. Hanger was badly injured and died as a result. The damages asked for are $20,000. Following the death of Wilfrid Lavalee at Quebec after his automobile had been struck by a truck belonging to J. L. Drolet, in December, his widow has taken action to secure payment of $15,000.

The reduction in the price of automobiles and the prevalence of second-hand cars at low prices, has introduced a new element. A claim of any size is of little value if the defendant has no money with which to meet it. Thus, while those who have sufficient money to satisfy a claim are likely to protect themselves against this possibility, by carrying public liability and property damage, others, who have little outside the car itself, may not do so. In such a case, it is argued, the public has no redress against the careless actions of the owner. This situation is aggravated by the fact that many buy cars who have barely enough to meet the initial payment under the partial payment plans in vogue. Hence the claim is made that the public should be protected by compulsory insurance.

Those supporting such action claim that it would reduce the number of accidents, because the insurance companies would not issue policies to careless drivers. On the other hand those opposed indicate several difficulties. In the first place they point to an undue interference in business through causing a big increase in prices, especially in the case of cheaper second-hand cars. They also maintain that there is no element in the proposed regulations which would bring about a decrease in accidents. They also point to the danger of not enforcing the laws.

In opposing the idea one authority says:

"Would compulsory insurance check reckless driving? The protection of insurance will tend to make the careless even less careful. It is the policy of reputable insurance companies to refuse insurance to automobile drivers shown to be reckless. But if the state makes insurance compulsory, the state will be called upon to and will provide insurance for all, creating a state fund for the bad risks who otherwise would be left uninsured. Then will arise the demand for monopolistic state insurance, and the true objective of prevention will be forgotten.

"Then the state will represent the defendants in all automobile damage cases and will become involved in an immense volume of private litigation. The cost will be tremendous and will be distributed roughly, as are taxes, so that the careful and responsible automobile owners will share in the losses caused by the reckless and irresponsible."

While the extension of the plan to all automobile owners may involve many difficulties, its application to some classes has already been tried out. In Hamilton, Ont., and in the province of British Columbia, all taxicabs and livery cars must be covered. In the case of Hamilton, the limits must be at least $5,000 for injury to one person and $10,000 for injury to more than one. In York County all jitney drivers are required to furnish a bond for $2,000. If the principle is to be admitted, insurance men claim, the latter limit is practically useless and in support of their contention they point to the size of claims under ordinary policies.

The American Woollen Company is said to hold the largest group insurance policies of any industrial company in America. These are placed with the Travelers companies at Hartford. Death claims paid under one group life insurance policy have now passed the million-dollar mark, while accident and health claims paid under a policy are over one million seven hundred thousand dollars.

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LOOK FOR UPPER PROVINCES TO USE COKE FROM EAST

British Empire Steel is Developing Markets for N. S. Coal

From Our Own Correspondent.

MONTREAL.—The British Empire Steel Corporation is making excellent progress in the development of its coke sales. It is hoped in time that the Nova Scotia coal fields can be made to produce all the fuel that the Maritime provinces need, making unnecessary the importation of United States anthracite. In the upper provinces, as well, coke markets are being widened by a systematic campaign of education of the ultimate consumer. Ontario and Quebec people have learned the hardship of being required to pay $18 a ton and more for anthracite in times of acute coal shortage. Because of higher wages in the anthracite fields, shorter working hours and increased freight charges, it seems unlikely that coal will ever run less than $16 a ton in Quebec, and little less than that in Ontario. In the face of this situation Besco hopes to establish coke as a domestic fuel in Quebec, and later in Ontario, to the end of replacing American anthracite as a fuel, and, as a result, to make a greatly enlarged market for Canadian coal mined in Nova Scotia.

After the Eastern Markets

First of all, however, the Maritime market must be conquered. In the year 1923 approximately 150,000 tons of anthracite coal was brought into the Maritime provinces. It is figured that if this coal had been supplanted by metallurgical coke made from Nova Scotia coals that consumers would have saved $450,000; that a new market would have been found for 300,000 tons of Canadian coal, insuring continuous employment to 600 miners; that 150,000 tons of additional freight would have been provided for Canadian railroads, and in addition thousands of dollars of by-products would have been developed.

Nova Scotia coal has been coked since 1870, but the plants at Sydney to-day are very modern and produce a clean, efficient, high-carbon fuel which can be used wherever anthracite is now being used. In addition, the by-products include gas (used for heating ovens) ammonium sulphate, tar and benzol. Sulphate of ammonia is a valuable fertilizer; the benzol is a fine motor fuel; tar provides a variety of chemical products.

In Quebec and Ontario

After providing for Maritime markets the British Empire Steel Corporation hopes, by the establishment of coke ovens at Montreal, Toronto, and other points, to utilize Nova Scotia coke in the upper provinces. At the present time much coke brought by rail from Sydney is being sold in Montreal and vicinity.

The development of coke sales would insure a steadier and more dependable market for Nova Scotia coal and hence a more stable earnings position for Besco. Proper development of coke markets would warrant the investment of larger sums in the coal mines of the East, and would provide a more enduring foundation for the future growth of coal mining in Cape Breton and other Nova Scotia centres.

Ritz-Carlton Hotel Not to Become Apartment House

From Our Own Correspondent.

MONTREAL.—On being asked if there was any truth in the rumor, which seems to have been circulated broadcast, that the Ritz-Carlton hotel of Montreal has been turned into an apartment house, the president of the company stated that there was absolutely no truth in the story, and furthermore that the question had never been discussed, as the whole construction of the hotel would make such an arrangement an impossibility. The Ritz-Carlton hotel, he said, is being kept up to the high standard set by the Ritz organization, and will continue giving service to the public as heretofore.

Grocers Would Retail Eggs to Public by Weight

There is a great deal of confusion over the regulations covering the grading of eggs. Prosecutions for alleged violation have been made, but fines imposed are to refunded. This course has been decided at Ottawa on representations of the Retail Merchants' Association of Ontario. At a meeting of retail grocers of Chatham and the surrounding district a resolution was passed suggesting that eggs be bought and sold by weight. The grocers believe that the government is wholly worthy of support in its endeavor to improve the quality of Canadian eggs, but say that the sorting of good from bad eggs by size is too inexact and unreliable. Selling and buying by weight would overcome mistakes in size grades.

The Grain Movement

OTTAWA.—Preliminary figures showing the receipts at the head of the lakes also Vancouver, B.C., for the period from September 1, 1923, to March 28, 1924:

	Ft. William and Pt. Arthur	Vancouver B.C.
Wheat	238,506,222	35,263,195
Oats	29,646,891	156,860
Barley	11,408,537	25,298
Flax	3,546,112	......
Rye	4,276,410	188,838
Totals	287,384,172	35,614,191
Same period 1923	251,621,796	13,277,677
Increase over last year	35,762,376	22,336,514

B.C. Electric Begins Work on Power House

British Columbia Electric Railway has begun work on its important Alouette Lake power development. The cost of the project is estimated at $2,300,000, and the date for completion is set for late fall of 1925. The project includes a small railway; a power house, a dam and a 3,600-foot tunnel between Alouette and Stave Lakes. The generators will furnish 11,500 h. p.

REBATES WILL CUT INTO SALES TAXES

Allowances of Raw Materials and Finished Goods as at Dec. 31

From Our Own Correspondent.

OTTAWA.—The sales tax collections will soon begin to feel the effects of the rebates permitted under the Act, if they have not already been affected. As is generally known, the rebates are allowed on raw and finished goods in the hands of merchants at December 31, and on which the tax has been paid.

It is impossible to estimate accurately what the total amount of these rebates will be, but those in close touch with mercantile business place it at equal to about one month's tax collections. This would probably mean about $10,000,000. This, of course, is only an approximate figure. The March returns may have been reduced somewhat by these rebates, but from now on they will be much more apparent.

Some profess to think that there may be a slight general reduction in the sales tax, but cuts on certain commodities is a better guess. The retail merchants' organizations have been making themselves felt against the proposed turnover tax that is favored in some quarters. It looks as though Hon. J. A. Robb had enough on his hands without attempting to replace the sales tax by a turnover tax.

Annual report of International Harvester, to be issued soon, is expected to show earnings in excess of dividend requirements, which amount to $9,063,593 on $60,223,900 7% preferred and $97,819,404 common, which pays 5%.

NATIONAL BRICK CO. WRITES UP PLANT

Now Surplus in Balance Sheet Where Once There Was a Deficit

MONTREAL.—The statement of the National Brick Company for the twelve months to February 29, 1924, indicates a certain improvement in the company's position during the year. The balance sheets for 1924 and 1923, when compared, seem to show great upward strides by the company, but this greater improvement is more apparent than real. By a re-valuation of assets the company has been able to get rid of the deficit in its balance sheet, and to convert it into a surplus. The president, C. C. Ballantyne points out that many valuable improvements and additions have been carried out during the fiftene years that have intervened since the company made a valuation of its properties. The re-valuation has increased the property account of the company by $714,802. This improvement added to the increase during the year in the company's liquid assets gave the company a surplus of $231,963, where a deficit of $640,375 stood a year ago.

The company's plant operated at about 60 per cent. of capacity during the year, and as forecast in THE FINANCIAL POST. earnings were about the same as in the previous year.

	1923-24.	1922-23.	1921-22.
Earn.	$225,784	$220,126	x$87,637
Ren. res.	50,000	50,000	......
Bal.	$175,784	$170,126	x$87,637
Bond. int.	......	......	x 33,061
Bal.	$175,784	$170,126	x$120,698
Inc. tax	18,247	17,653	......
Surplus	$157,537	$152,474	$120,698
Prev. deb. bal.	640,375	792,849	672,749
Bal.	x$482,838	x$640,375	x$792,849
Surplus	† 714,802	......	......
P. & L. bal.	$231,963	x$640,375	x$792,849

xDeficit.

†Credit through re-appraisal of all plants.

The company paid no preferred or common dividends during the year. and earnings went to improve the liquid position. The bank loan of $115,000 was squared away, the improvement in working capital position being as indicated in the following table:

	1923-24	1922-23	1921-22
Curr. assets	$359,072	$316,961	$ 275,439
Curr. liabs.	47,627	149,264	307,953
Work. cap.	$312,444	$167,696	x$32,513

xCurrent liabilities in excess of current assets.

MORE CANADIAN WHEAT IN BOND

One of the Effects of Raising Duty by States—Buffalo Export Centre

From Our Own Correspondent.

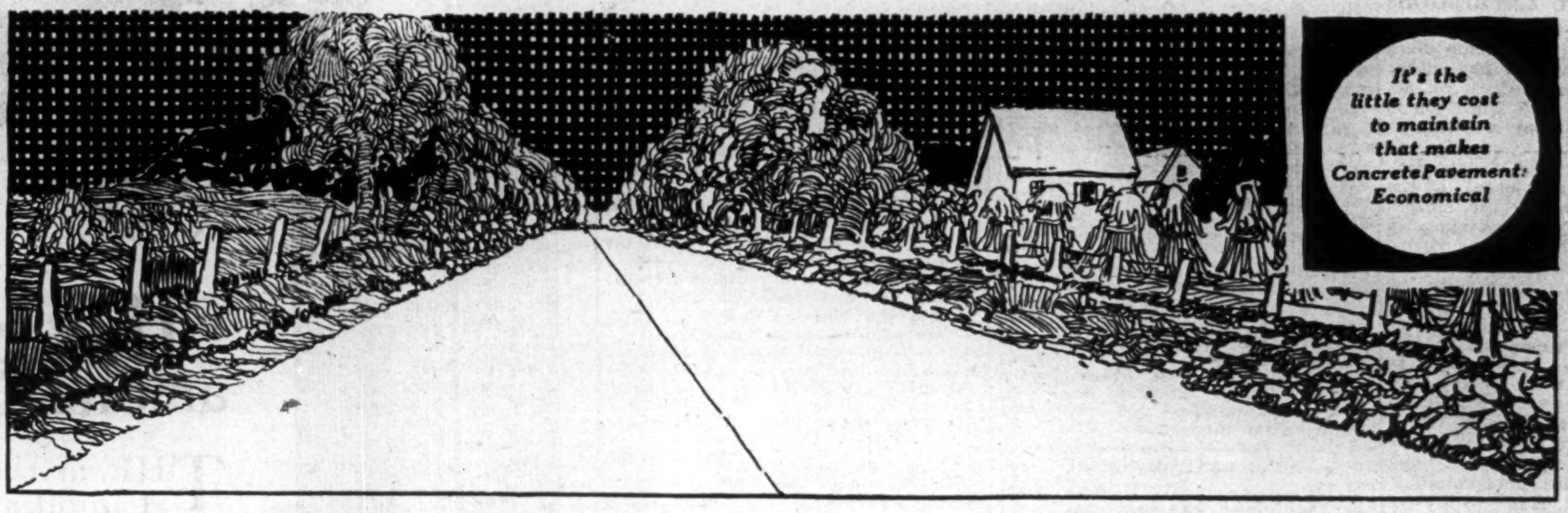
OTTAWA.—The higher United States duty on wheat, i.e., of 42 cents per bushel, went into effect on April 7. It was preceded by quite a movement of wheat to the United States, though the increase was not as apparent in the returns as might have been expected. It took the form chiefly of an increase in shipments to be milled in bond by American mills for export.

While it is quite probable that ordinary exports of wheat across the boundary will be reduced as a result of the higher duty, still it is expected that much more Canadian wheat will be milled in bond over there. One result of the higher duty has been to increase the number of mills grinding in bond from two to six. This is an evidence that American mills must have Canadian hard wheat for their export flour trade.

The biggest of these American mills grinding in bond is the Washburn-Crosby at Buffalo, which has a capacity of 12,000 barrels a day, and is building a second mill. Experts in the American flour trade say that the effects of the higher wheat duty will be to transfer the American hard wheat milling centre for export from Minneapolis to Buffalo.

CREAMERY FOR MATHESON

MATHESON.—At an enthusiastic meeting of sixty-five farmers who attended, despite the almost impassable condition of the roads, it was unanimously decided to form a co-operate creamery company at once. It was estimated that at least 200 farmers would subscribe for stock.



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The country's requirements call for an even greater speeding up of Canada's modern road building programme in order to cope successfully with present day traffic.

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Faced as we are with the need of providing roads capable of withstanding the increased strain of modern traffic, we surely must recognize that road economy calls for the adoption of that higher type of paving which concrete makes possible.

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CONCRETE

FOREIGN LOANS GETTING EXPORT TRADE FOR U.S.

Another New Problem For the Canadian Exporter

From Our Own Correspondent.

OTTAWA. — Those who follow trade closely here are coming to the conclusion that the rapid increase in American investments abroad, which is being accompanied in many cases by the stipulation that a percentage at least of the proceeds of these foreign loans must be spent in the United States for products is creating a new problem for Canada in the export trade field.

Within the last few days a loan of $30,000,000 has been arranged in the United States for Switzerland, a large portion of the money being intended for the purchase of wheat and other cereals. Another loan of $50,000,000 is understood to have been arranged for Belgium. Switzerland is not much of a buyer of Canadian wheat, but Belgium is. It is not known, however, what the strings on the loan are, but it is understood there are some.

By this method of lending heavily to foreign countries on the condition that a large portion of the proceeds shall be spent for products bought in the United States, it is probable that the latter will succeed in maintaining its high level of exports, in spite of the fact that the marked appreciation of its currency as compared with that of most of the states of Europe would naturally tend to put down its sales abroad.

In proportion as the United States thus ties up to itself foreign customers through loans, Canada naturally will have to look to other quarters for export trade. It is the realization of this fact that inclines some trade officials to the view that our trade policy will have to be reshaped to some extent, and in any event will have to be closely watched.

At the present time China and Japan seem to be the most promising fields for new business, and Canada is getting a goodly share of it. In the case of Japan, however, the United States recently made a big loan, a part of which money is to be spent across the line.

Taxpayers Meet Cost of Hydro Exemptions

The statement of Sir Adam Beck that no taxpayer had to pay either provincial or municipal taxes on account of Hydro since its inception is not taken kindly by many residents in Niagara Falls.

They point out that before the Hydro became owners and lessees of the Ontario Power Company the assessment of that company was made in the ordinary way. In 1920 the Hydro objected to this, and won a decision in the courts against it. Finally, an arrangement was made by which the ctiy may impose a maximum tax of 30 mills on an assessment of $2,500,000, an annual sum of $75,000. If taxes were paid in the ordinary way the city would receive $102,500, or $27,500 more than at present. It is stated that there are 3,445 taxpayers in Niagara Falls, so that each pays nearly $8 a year more on account of the agreement. It may readily be asked how much taxpayers are losing in other municipalities on account of the same circumstances.

Why Our Butter is Priced Low

Canadian Grocer's recent butter articles were discussed on Friday last in the House of Commons, and the facts presented were admitted by Hon. W. R. Motherwell, minister of agriculture to be correct.

"Are we to admit that the report I have just read (from Canadian Grocer) regarding butter over there is true," asked Mr. Ross, M. P. for Simcoe.

Hon. Mr. Motherwell: "Yes."

One statement made in Canadian Grocer was that our butter was bringing a much lower price in the Old Country than that of New Zealand, because of its poor keeping quality, due to the use of over-ripe cream. Yet Chief Dairy Commissioner J. A. Ruddick attempted to convey the impression that New Zealand butter regulations were similar to those in Canada. His statements are very definitely repudiated by his minister of agriculture, who knows the facts. Knowing the facts, what is to be done to correct the trouble, so that Canadian butter will command the respect it should have in the British market?

MERCHANTS FACING NEW COMPETITORS

Manufacturers Are Developing Direct to Consumer Business With Army of Salesmen

Retail merchants are beginning to look about for means of combating manufacturers carrying on a direct-to-consumer business by employing house-to-house salesmen or "bellringers" as they have come to be called. This method of retailing is a growth of the last couple of years, business depression. It was first developed by manufacturers of silk hosiery and underwear and has since spread to clothing, shoes and other lines. The situation is regarded as serious.

Armies of salesmen are being employed. One firm is said to have 14,000 out daily. Municipal ordinances provide little or no safeguard, as these operatives are in and out of a city before the authorities become aware of it. It is contended that they pay no taxes, other than the duty on the goods they import, as most of the door-to-door selling in Canada is said to be by U. S. firms. They pay no taxes and have no direct stake in the country.

Lately these houses have branched out and are storing factories where they can gain entry during the lunch hour and securing large orders.

DEVELOPMENTS IN B.C.

NELSON.—A new concentrator has been completed at the United Empire mine at Grand Forks and is expected to be placed in operation in a few weeks. E. S. Campbell is in charge of the work for the United Metals company.

Preparations are under way for the reopening of the Pathfinder-Little Bertha Mine and the Maple Leaf Mine, both near Grand Forks.

Negotiations are under way for the securing of a lease on the Union Mine in the Franklin Camp near Grand Forks. In past years this property shipped considerable ore but transportation charges proved a handicap. Now it is proposed to overcome this by erecting a mill on the property.

JOINS BEAUSOLEIL CO.

J. J. Riley, formerly Montreal manager for Miller and Company, has joined the staff of George Beausoleil and Company and has taken charge of the trading department of that firm.

PUBLIC IS BEING FOOLED ON LOSS ON ITS RAILWAYS

(Continued from page 1)

larly profitable; quite the reverse.

The people of the country regard the Canadian National Railways as that branch of the government which is charged with the operation of the railway lines that are owned by the people, and that being the case they feel justified in demanding that all monies paid out by the government on account of any railways now in the system should be charged to the system. Of course, it would add a few millions to the deficit, but it certainly would not add one cent to the tax rate. It is a question of charging expenses where they should be charged instead of setting up fictitious and misleading railway reports. It is not Sir Henry Thornton who is misleading the public, but the Dominion government.

How the present method fools the taxpayer may be guessed at by considering Herbert Marler's statement in the house that indicated that the total cash cost and funded indebtedness of the combined governmental, C. N. R. and G. T. R. systems amounted to $2,066,000,000 at December 31 last. Yet the fixed charges set up against the railway's operations amounted to $65,200,000. This is only 3½ per cent. on the total, whereas it is obvious that the average rate of interest being paid on the securities of the C. N. R. in the hands of the public, and the rate of interest that should be charged by the public treasury on its advances to the line should average closer to 5 per cent.

Of the $65,200,000 of fixed charges in 1923, $35,000,000 was paid to the public and the balance to the government. According to a government report, securities of the line in the hands of the public at December 31 last totalled $813,000,000. Thus the average rate of interest on securities in the hands of the public must have been about 4½ per cent., and, accepting Mr. Marler's figures of the capital cost of the line, the Dominion was credited with about $30,000,000, or 2½ per cent. on its $1,200,000,000 equity in the line. This seems to indicate that the bookkeeping methods of the government in dealing with the railways are wrong. If interest on the government's equity were charged at the same rate as interest on the public's advances, the deficit would be increased by about $30,000,000, money now being charged up in government accounts as interest on the public debt. This figuring may be wrong but it is as near as one can come with present governmental methods of accountancy.

The Cost of the Railways

Mr. Marler's statement, prepared for him by the department of railways, is a valuable contribution, for it sets forth the amounts of money involved in the Canadian National Railways venture as it now stands. It is worth repeating:

The total cash expenditure on what is now known as Canadian National Railway as of 31 December, 1923, is the huge sum of $1,138,600,430.

"This amount is divisible as follows:

What is now Canadian National since it was operated as such from about February, 1923 ..	$ 16,172,847
Canadian Northern	354,218,554
Grand Trunk Pacific	138,743,070
Grand Trunk	134,583,607
Canadian Government ...	494,888,352
Total	$1,138,600,430

"In addition to this there is interest accrued on loans to 31 December, 1923, but not paid:

xCanadian National	$ 428,217
Canadian Northern	69,589,575
Grand Trunk Pacific	27,562,616
Grand Trunk	13,858,120
Total	$111,438,530

x—Present system.

"Then there are net balances of unmatured securities outstanding guaranteed by the Dominion:

xCanadian National	$ 22,500,000
Canadian Northern	144,702,913
Grand Trunk Pacific	43,432,848
Grand Trunk	49,743,000
Total	$260,378,761

x—Present system.

"And after that securities guaranteed as to interest which really means guaranteed as to principal also.

Capital value of Grand Trunk stocks	$216,207,141

"There are also the outstanding obligations in the hands of the public secured on the whole or on parts of the system, as the case may be, not actually guaranteed by the Dominion, but assumed by it as virtual owner and on which interest had to be paid:

Canadian Northern equipment notes	$ 32,519,000
Securities guaranteed by various provinces	79,767,554
Unguaranteed securities .	92,816,805
Total	$205,103,359
Grand Trunk Railway securities and those of affiliated companies ..	44,622,128
Equipment notes	13,482,700
Total	$ 58,104,828
Grand Trunk Pacific securities, with provincial guarantees	13,457,826
Guaranteed by Grand T.	62,581,253
Total	$ 76,039,079

Total cash expenditure, interest accrued on advances, securities guaranteed by Dominion, either as to principal or interest, or both and obligations secured on the various roads, $2,065,872,128.

A Valuable Statement

The value of the statement is that it gives a fairly accurate idea of what the national system has cost the country to date. It is impossible to determine this cost from such a figure as that statement Hon. George P. Graham gave one of the members who asked for a record of the capital charges of the Canadian National Railways, as at December 31, 1923. His statement gave a lot of data that meant nothing to the taxpayer.

Business men for the most part would be inclined to agree that the country ought to be given truer pictures of the cost to the treasury of owning and operating the government lines. Sir Henry Thornton, who is being given warm support by business men all over the country, should not be the one to object to the reform. It would not alter his problem, which is one of operation.

NEW CROP SEASON BRINGS BRIGHTER OUTLOOK IN WEST

(Continued from page 1)

fruits, etc., rose from 141.1 to 141.9, declines in grain prices being offset by increases in those for vegetables. Non-ferrous metals rose from 96.2 to 98.1 due to higher prices for copper, lead and tin. Animals and their products, chiefly because of lower prices for hogs, eggs and butter, fell from 136.2 to 127.3. Textiles fell from 214.1 to 206.8 due to declines in cottons and silks. Wood, wood products and paper, due to lower levels for oak lumber and pulp, fell from 174.0 to 173.5. Iron and its products fell from 167.3 to 166.1.

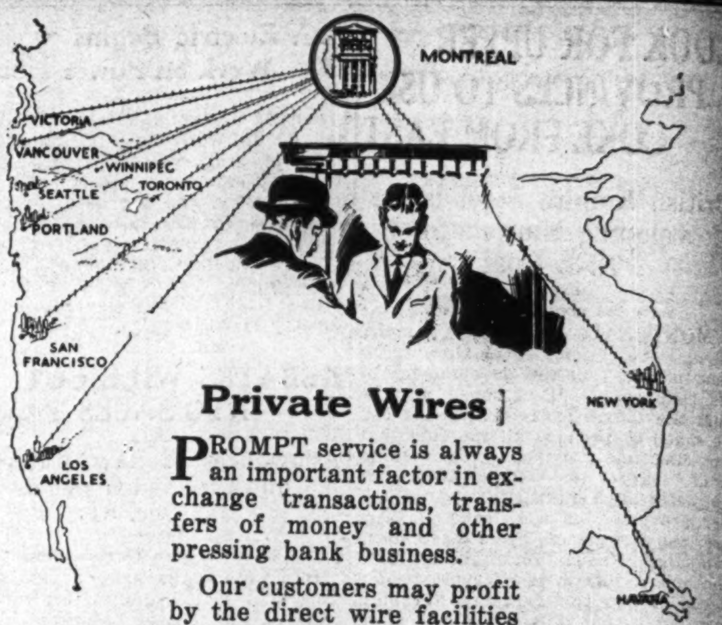
Slowing Down in United States

The slowing down in some lines of business in the United States which has been forecast by the trend of the stock markets is in evidence in a decline in pig iron production and weakening in iron and steel prices. Probably never before have the steel companies operated at such a high percentage of capacity with so little forward business, car loadings have been showing a gradual, but noticeable decline for several weeks at a season when they should be increasing. Reports for 1923 reveal very satisfactory profits for the great majority of companies and for the first quarter of this year the momentum will be sufficient to continue a satisfactory showing, but the indications are that beginning with the current quarter net earnings will show a decrease, in the opinion of Hayden, Stone & Co.

LIST ALGOMA RAILWAY BONDS

The $10,000,000 Algoma Central and Hudson Bay Railway first mortgage 5 per cent. income bonds were listed in Toronto this week. No interest has been paid on these bonds for some time. This is considered one of the steps in the reorganization of the Lake Superior Corporation, which has been rumored recently.

A large number of these bonds have been held in France and French holders are converting into bonds of Canadian currency.



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PROMPT service is always an important factor in exchange transactions, transfers of money and other pressing bank business.

Our customers may profit by the direct wire facilities which we operate between the more important centres of Canada, the United States and Cuba.

The Royal Bank of Canada

Twenty-Eighth Annual Report of

The Wawanesa Mutual Insurance Company

Head Office - Wawanesa, Manitoba

for the year ending December 31st, 1923.

Cash Statement for the year ending December 31, 1923.

Cash on hand		$ 57,617.86
Cash premiums ....$	84,269.80	
Assessments	416,525.66	
Interest	16,387.34	
Commissions	5,226.57	
Policy Fees	690.36	
Reinsured losses ...	6,774.25	
Total Receipts		529,873.97
Dominion Government Bonds....		108,640.26
		$696,132.09

EXPENDITURE

Losses ... .$	413,003.00	
Rebates	5,651.88	
Reinsurance	15,941.14	
		434,596.11
Salaries and Directors' fees	36,966.93	
Agents' Commissions	50,056.67	
Fire Inspection and Adjusting	14,331.23	
Printing, Stationery and Express ...	5,489.76	
Postage, telephones and telegrams . .	8,557.07	
Advertising	2,135.26	
Travelling expenses.	2,672.93	
Fuel and light ...	627.98	
Audit	552.30	
Legal	1,471.69	
Taxes and Licenses	5,767.56	
Commissions on Collections	470.30	
Office Insurance Premiums	123.00	
Caretaking, Charring and Repairs	693.23	
War Tax Stamps..	1,422.53	
Bank Interest and Exchange and Tax.	7,777.87	
Donations, Bond, Office Expense . .	1,013.94	
		140,130.25
CAPITAL:		
Furniture	944,93	
Bonds bought ...	112,965.00	
		113,909.93
BALANCE:		
Cash on hand and Union Bank		7,495.80
		$696,132.09

Statement of Assets and Liabilites as at December, 31, 1923.

ASSETS

Premium Notes Unassessed ...		$1,256,404.43
Assessment unpaid 1923.......		130,971.61
Assessment unpaid 1922.......		45,485.02
1921 written off $21,585.41		
Office building and site........		16,763.91
Office Furniture ...$	6,284.27	
Less Depreciation	628.47	
		5,655.80
Premiums in agents hands....		2,466.24
Dominion Government Bonds ... .$	199,422.00	
Prov. of Saskatchewan Bonds	10,700.00	
Province of Alberta Bonds	16,050.00	
Railway and Manitoba Bonds	113,570.00	
		339,762.00
Accrued Interest		6,416.10
Cash in Bank and on hand....		7,495.80
Unexpired premiums on re-insurance		10,453.20
		$1,820,874.11

LIABILITIES

Reserve for unearned premiums	$ 127,133.02
Commissions and Policy fees..	7,745.61
Losses unadjusted and outstanding	39,301.15
Premiums for Re-insurance...	1,874.75
Surplus for Policy Holders....	1,644,819.58
	$1,820,874.11

The Wawanesa Mutual Insurance Co.

I beg to report having audited the books of The Wawanesa Mutual Insurance Company for the year ending December 31st, 1923. All requirements as Auditor have been complied with.

I hereby certify that the foregoing Cash Statement and Balance Sheet are, in my opinion, properly drawn and show a true and correct statement of the financial position of the Company, at December 31, 1923, according to the information given to me, and as shown by the books.

I have examined the securities held by the Company and proper acknowledgment for those hypothecated, counted the cash, and verified the bank balance.

C. D. CORBOULD,

Chartered Accountant.

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This supremacy of McLaughlin-Buick is due to the fact that year after year McLaughlin-Buick engineers are pioneers in the developing and adopting of new features of design, construction and equipment so that McLaughlin-Buick cars are at least two years in advance of the accepted standard.

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